



57<sup>th</sup>  
ANNUAL REPORT  
2003 - 2004

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**SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED**

SATHYAMANGALAM 638 402



## SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

### Board of Directors

Sri R. DORAISWAMI  
(Chairman)

Sri D. LAKSHMINARAYANASWAMY  
(Managing Director)

Sri L. DAMODARASWAMY

Sri N. JOTHIKUMAR

Sri R. NARAYANAMURTHY

Sri R. RADHAKRISHNAN

Sri R. RAMDAS

(Nominee Director - IDBI LTD)

### Company Secretary Cum

Vice-President (Planning & Finance)

Sri N. NARASIMHALU

### Internal Auditor

Smt. SHASHIREKHA VENKATESH

### Auditors

M/s. M. S. JAGANNATHAN & VISVANATHAN  
COIMBATORE

### Bankers

INDIAN BANK

INDIAN OVERSEAS BANK

STATE BANK OF HYDERABAD

STATE BANK OF TRAVANCORE

BANK OF BARODA

THE SOUTH INDIAN BANK LTD.

### Registered Office

No.3, Bhavani River Street

Ariappampalayam

Sathyamangalam - 638 402

Phone/Fax : 04295-220681

E-mail: srmc@vsnl.com

### Mills

1. COIMBATORE

2. NAGARI (A.P.)

3. SATHYAMANGALAM

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## SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

### NOTICE OF THE 57th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 57th Annual General Meeting of the company will be held at the Registered Office of the Company at No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam-638 402, Erode District, on Wednesday, the 23rd day of February 2005 at 9.30 a.m to consider the following Agenda. All the members of the Company are requested to attend the same.

### AGENDA

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and the audited Profit and Loss Account for the year ended 30th September, 2004, the audited Balance Sheet as at that date and the Auditors' Report thereon.
2. To elect a Director in the place of Sri R. Narayanamurthy, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

#### SPECIAL BUSINESS

4. To Consider and, if thought fit, to pass, with or without modifications as may be practical and permissible, the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to Section 293(1)(a) read with section 192 A and the rules framed thereunder in this regard and other applicable provisions, if any, of the Companies Act 1956 and subject to the consent of the company in General Meeting and such other approvals and permissions, as may be required, the Board of Directors of the company be and is hereby authorised to sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking(s) of the company, or to restructure the same through any means as the Board may consider appropriate whether it be through a scheme of hive off or joint venture or transfer to a subsidiary or otherwise, and/or to transfer/sell assets-wise and/or otherwise dispose of any of the Units together with the infrastructure facilities, auxiliaries and utilities attached thereto in whole or in parts, to one or more persons or entities, as the Board deems appropriate and on such terms and conditions and with effect from such date and in such manner as may be decided by the Board, at a price that may be fixed by the Board subject to the approval of the financial institution/banks and other appropriate authorities under a scheme of Corporate Restructuring or otherwise.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorised if so required to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise to finalise the means, methods or modes in respect thereof and to finalise and execute all required documents including schemes of arrangement, agreements, memoranda, deeds of assignment/conveyance and other documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in their discretion, including the power to delegate for completion of the transaction as aforesaid in the best interest of the Company.

RESOLVED FURTHER that the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), to the Board of Directors to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the Lender(s), Agent(s) and Trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and Securities (comprising fully/partly Convertible Debentures and/or Non-Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, Liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other moneys payable by the company in terms of the Loan Agreement(s) / Head of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee(s) / Trustee(s) in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/Agents/Trustee(s);

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Managing Director of the Company be and is hereby authorised to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid".

None of the directors of the Company are interested in the above resolution.

#### FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED:

Sri R Narayanamurthy is a Diploma holder in Textile Manufacture. After having his training for Technical and Managerial Cadre in Lakshmi Mills, he joined as a Supervisor of our mills and gradually promoted as the General Manager of our mills at Ganapathy, Coimbatore.

He was appointed as a Director of our company with effect from 28.04.2003. He is well versed in Technical Management of Textile Mills.

OTHER DIRECTORSHIPS : Suhasini Spinners Ltd.

COMMITTEE MEMBERSHIPS: He is a Member of the Remuneration Committee of our company.

**EXPLANATORY STATEMENT PURSUANT TO SECTIONS 173(2) AND 192A OF THE COMPANIES ACT, 1956.**  
Item No.4

The company is in the process of restructuring its operations to improve its operational efficiencies.

The Company's manufacturing units are situated at Ganapathy, Nagari and Sathyamangalam. The Company shall transfer/ sell/hive off any of its unit/Units as and when required. Such transfer/ sale/ hiving off any of the unit/Units amounts to sale/disposal of an undertaking of the Company in terms of Section 293(1) (a) of the Companies Act, 1956. Accordingly your approval is sought under the provisions of Section 192A of the Act read with the provisions of Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 through a resolution to be passed by the Postal Ballot as set out in the Notice.

The Company has availed Term loans and working Capital Financial Assistance from IDBI Ltd./ Banks and as per the terms of approval the financial assistance has to be secured by an appropriate pari passu first/second charge on the Movable and Immovable assets of the Company.

Section 293(1)(a) of the Companies Act, 1956 provides, inter alia, that the Board of Directors of a Public Company shall not except with the consent of its shareholders in the General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company OWNS more than one undertaking, of the whole or substantially the whole, of any such undertaking.

Since the Mortgaging by the Company of its immovable properties and movable fixed assets, as aforesaid in favour of lenders, may be regarded as disposal of the Company's Properties/ undertakings, it is necessary for the members to pass a resolution under section 293 (1)(a) of the Companies Act, 1956.

Copies of the sanction letters from IDBI Ltd / Banks will be kept open for inspection at the registered office of the Company between 18.02.2005 to 23.02.2005 on any working days prior to the date of Meeting.

None of the Directors are deemed to be materially concerned and /or interested in the aforesaid resolution whether in their capacity as Directors, members and creditors or otherwise of the company.

GANAPATHY  
COIMBATORE 641 006  
31.12.2004

By Order of the Board  
for Sri Ramakrishna Mills(Coimbatore) Ltd  
(Sd.) D.JAKSHMINARAYANASWAMY  
Managing Director

**NOTE :**

1. Every member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. Pursuant to Section 205A of the Companies Act, 1956 as amended all unclaimed dividends shall be transferred to the "Investor Education and Protection Fund" of the Central Government after a period of 7 years from the date of declaration. It may be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim can be made thereof to the Company. Members who have not encashed dividend warrant(s) so far for the financial year ended 31.3.98 are requested to make their claim to the Company.
3. The Register of Members of the company will remain closed from 18.02.2005 to 23.02.2005 (both days inclusive).
4. Members desirous of making a nomination in respect of their shareholding in the company as permitted under Sec.109A of the Companies Act, 1956 are requested to submit the prescribed Form 2B for this purpose to the Company.
5. Members holding shares in physical form are requested to intimate their change of address if any, to the Company's Security Transfer Agents, M/s.S.K.D.C. Consultants Ltd., P.B.No.2979, No.11, Seth Narayandoss Layout, Street No.1, (West Power House Road), Coimbatore - 641 012 quoting their respective folio numbers. Members holding shares in Demat form are requested to intimate their change of address if any, to the concerned Depository Participant where they have Demat Account.
6. The company's ISIN No. is INE306D01017.
7. According to Section 293(1)(a) of the Companies Act 1956, sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of a Company requires approval of the shareholders by way of an Ordinary Resolution.
8. As per Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules 2001, the consent of the shareholders for the above purpose is required to be obtained by means of a postal ballot.
9. Pursuant to Board resolution dated 31.12.2004 Mr. Kantilal G. Vora has been appointed as Scrutinizer to receive and scrutinize the completed ballot papers received from the Members and for conducting the Postal Ballot in a fair and transparent manner. The Postal Ballot Papers have already been despatched to you separately.
10. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form (no other Form or Photocopy thereof is permitted) duly completed, along with the assent (for) or dissent (against), in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer at the registered/ Administration office of the Company not later than the close of working hours on 21st February 2005 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member.
11. The Scrutinizer will submit his report addressed to the Board of Directors of the Company to the Managing Director after completion of the scrutiny and the results of the postal ballot will be announced by the Chairman of the Annual General Meeting of the Company on Wednesday the 23rd February, 2005 at 9.30 a.m. at the Registered Office of the Company at No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam 638 402. Members who wish to be present at the time of declaration of results, may do so at the above Venue at the appointed time.

## REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Ladies and Gentlemen,

Your Directors submit the following report on the working of the company for the year ended 30.9.2004.

After meeting all working expenses, interest, repairs to machinery and buildings the working results of the company are as follows:

### FINANCIAL RESULTS:

	Year ended 30-9-2004	Year ended 30-9-2003
	Rs.	Rs.
Gross Loss	9,52,26,406	8,67,10,524
ADD:		
Provision for Bonus	40,98,957	39,46,302
Managerial remuneration	15,02,800	15,05,920
Depreciation	2,30,79,220	2,35,29,712
Net Loss for the year	12,39,07,383	11,56,92,458
Adding thereto the following payments:		
Donations	14,000	7,600
Prior year adjustments	—	30,64,761
Income-tax of prior years	—	21,58,178
	12,39,21,383	12,09,22,997
DEDUCT:		
Prior year adjustments	1,90,29,196	—
Refund of Income - Tax (Net)	3,09,038	—
Refund of Sales Tax	9,600	—
Deferred Tax Asset	2,43,99,536	1,22,35,964
Balance of Loss	8,01,74,013	10,86,87,033

The above Loss has been carried over to be set off against future Profits.

### PERFORMANCE

During the year under report also we have been working under great strain on working capital and escalation in costs. The company is endeavouring and taking all efforts to reduce the loss and improve the working results.

Your Directors had to inform you that as the entire net worth of the company has been eroded as at 30.09.2003, the company has made a reference to BIFR as required under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 and the case has been numbered as 125/2004 and is kept pending.

### FINANCE

As reported last year, the company was able to avail the benefits of restructuring its Debts under CDR package. There had been delays in fully availing the sanctions from banks. Therefore, the company incurred further losses and faced acute shortage of working capital. We are still yet to fully avail some limits/ concessions/refunds from few of the banks.

The Company therefore could not achieve the projections made in restructuring package due to low utilisation, inadequate working capital and unfavourable market conditions with high raw material prices. Hence the company proposes to revise its earlier projections and submit a fresh proposal to CDR Cell for its consideration for early revival as per the CDR Monitoring Committee decision.

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**PROSPECTS**

The company is now running fully and due to favourable market conditions especially the raw material - Cotton, where the crop is both good and of good quality. The company is also modernising the machines and rationalising its work force to achieve higher productivity and lower labour costs. The Company expects a turnaround this year and come back to profitability.

**DIRECTORS**

Sri R Narayanamurthy, one of the Directors of the Company retires by rotation at the ensuing Annual General Meeting of the Company. The place so vacated by him has to be filled up in the same meeting. The retiring Director is eligible for re-appointment.

**ENERGY CONSERVATION ETC.,**

Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the Companies (Declaration of Particulars in the Report of Board of Directors) Rules, 1988 are annexed separately and form part of this report.

**EMPLOYEES**

No employee of the company has drawn salary in excess of Rs. 2,00,000/- per month. Hence the particulars of employees as per Section 217(2A) of the Companies Act, 1956 has not been given.

**STATEMENT OF RESPONSIBILITY OF DIRECTORS**

As required under section 217 (2AA) of the Companies Act, 1956 your Directors state :

- i) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed.
- ii) that the accounting policies selected and applied are consistent and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that the annual accounts have been prepared on a going concern basis

**UNCLAIMED DIVIDEND**

Unclaimed Dividend pertaining to the year ended 31.03.1997 amounting to Rs. 20,910/- has been paid to Investor Education and Protection Fund on the due date viz., 21.10.2004, as required.

**DELISTING OF SHARES**

During the year under report, we have delisted the shares of our Company from Madras and Coimbatore Stock Exchanges, since our shares were not actively traded on these exchanges and since such delisting was in accordance with the guidelines of SEBI in this regard.

**CORPORATE GOVERNANCE**

As per the amended Listing Agreement with the Stock Exchange, Mumbai, your Company is required to comply with the requirements of Corporate Governance. Several steps have been already taken by the company in this direction and a separate Report on Corporate Governance is attached to this Report.

**SPECIAL BUSINESS**

The Company is in the process of restructuring its operations to improve its operational efficiencies. The Company shall transfer/sell/hive off unit/Units if and when required. Such transfer/sale/hiving off of any of the unit/Units amounts to sale/disposal of an undertaking of the company in terms of Section 293(1)(a) of the Companies Act, 1956.

Accordingly, the proposal is now being placed for the approval of the shareholders by way of an ordinary resolution as required under the Act.

## SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

### GENERAL:

The Auditors of the company M/s.M.S.Jagannathan & Visvanathan retire at the ensuing Annual General Meeting and are eligible for re-appointment at the same meeting.

The cost accounting records maintained by the Company as required under Sec.209(1)(d) of the Companies Act, 1956 would be audited by M/s.S.Mahadevan & Co., Cost Accountants, duly approved by the Government for the year ended 30.9.2004 to comply with statutory requirements.

Our thanks are due to Indian Bank, Indian Overseas Bank, State Bank of Hyderabad, State Bank of Travancore, Bank of Baroda and The South Indian Bank Ltd. and also to Industrial Development Bank of India Ltd for their continued support and assistance in meeting our financial needs.

The Directors appreciate the services rendered by the Officers, Staff and the employees of the Company.

We pray for the Grace of Almighty Sri Jaganatha Perumal for the prosperity of the Company.

Ganapathy  
Coimbatore 641 006  
31.12.2004

For the Board of Directors  
( Sd.) R.Doraiswami  
Chairman

### ADDENDUM TO DIRECTORS' REPORT

"Regarding the Auditors' remarks under para No.5 item Nos. i to iv, we have to state that Note Nos. 10(a), 10(b), 11 and 22 of the notes annexed to and forming part of the Balance Sheet are self-explanatory

As regards the Auditors' remark in Annexure 1(c), we have to state that the Management is discussing with IDBI Ltd/Banks to get adequate reliefs and concessions for an early revival".

Ganapathy  
Coimbatore 641 006  
31.12.2004

For the Board of Directors  
( Sd.) R.Doraiswami  
Chairman

**ANNEXURE TO DIRECTORS' REPORT**

Particulars pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

**A. CONSERVATION OF ENERGY**

- a) Energy Conservation measures taken: None
- b) Additional investments and proposals being implemented for reduction of consumption and consequent impact on cost of production: ...NIL...
- c) Impact of measures (a) and (b) for reduction of energy consumption and consequent impact on cost of production: The Proposals implemented in the earlier years are being closely monitored.
- d) Total energy consumption and energy consumption per unit of production as prescribed in Form-A.

	Year ended 30-9-2004	Year ended 30-9-2003
<b>(A) Power and Fuel Consumption:</b>		
1. Electricity		
a) Purchased:		
Units (in lakhs)	265.57	218.72
Total amount (Rs.in lakhs)	1117.24	933.46
Rate per Unit (Rs.)	4.21	4.27
b) Own Generation:		
i) Through Diesel Generator		
Units (in lakhs)	3.97	3.10
Units per litre of Diesel Oil	3.10	2.79
Cost / unit (Rs.)	7.08	4.99
ii) Through Steam turbine /Generator	Nil	Nil
2. Coal	Not used	Not used
3. Furnace oil	Not used	Not used
4. Other/internal generation	Nil	Nil
<b>(B) Consumption per unit of production:</b>		
Electricity - Units per kg of yarn	4.09	5.29

**B. TECHNOLOGY ABSORPTION**

Efforts made in Technology absorption as per Form B:

Indigenous technology alone is used and Research and Development is carried out by a separate Textile Research Association viz. South India Textile Research Association for Textile Units situated in the Southern Region of which the Company is a member.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- i) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

Presently exporting yarn. Steps are being taken to increase export of yarn further and to explore new markets.

- ii) Total foreign exchange earned and used (excluding on capital goods, components and spares) :

Rs.

Earned :

Export of yarn - in foreign exchange (FOB)

12,38,50,172

Used :

- a) Expenditure in Foreign Currency on account of :

Commission on sales

19,54,812

Travel

3,92,850

- b) Value of imports calculated on CIF basis : ,

Capital Goods

11,69,681

Raw material

31,88,086



## SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

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### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

#### 1. Industry Structure and Development

Consumption of yarn was severely affected due to stoppage of looms on the implementation of Cenvat System during the year. On account of this, lower capacity utilisation and heavy accumulation of stocks of yarn badly affected the Textile spinning sector.

However, the compulsory cenvat system has been scrapped in 2004-05 Budget and the Govt. has given option to the industry to adopt zero based duty structure or the cenvat system.

This change in system will generate more demand for yarn from its consumers of yarn in the decentralised power loom sector which will be beneficial to the cotton spinning industry.

#### 2. Opportunities and Threats :

On globalisation of Textile Trade with effect from 1st January 2005, the spinning segment has to be cost effective in order to compete with countries producing textiles. Accordingly, we propose to restructure our operations and submit a revised detailed scheme for the approval of the Banks and IDBI Ltd to improve productivity and reduce power cost and increase labour productivity which assume special importance for the survival in the post 2005 regime.

#### 3. Segmentwise or Productwise performance :

As the company's products fall broadly in the same segment, no further analysis is required.

#### 4. Risks and concerns :

Relatively the labour productivity is low and cost of funds and manufacturing costs including that of power are high in Indian Textile Industry. Also regulation relating to production like hank yarn obligation are to be freed to meet the stiff competition expected in post 2005 globalisation of trade.

#### 5. Internal control system and Procedures :

The company has a proper and adequate system of internal controls in all financial and functional areas commensurate with its size.

#### 6. Performance and outlook :

The performance of the company suffered during the year 2003-04 due to lack of adequate working capital and execution of certain critical maintenance in plant and machinery. Also due to under utilisation and lack of adequate exports, the company could not achieve the anticipated targets. The CDR package was not fully implemented by a few banks which resulted in a squeeze on working capital.

The company is in the process of submitting a revised restructuring proposal and implementing modernisation of machinery to increase productivity as well as quality to revive the company early.

The outlook for 2004 - 05 is promising better of spinning sector on account of increase in availability of quality indigenous cotton at competitive prices.

In addition, the implementation of zero based duty structure will help to improve the yarn sales.

7. During the year 2003 - 04, seven employees offered for voluntary retirement scheme in Nagari Unit involving an expenditure of Rs. 1.78 Lacs.

The company proposes now to implement labour rationalisation to reduce its cost in its revised restructuring proposal to be submitted for the approval of banks and financial Institution.

**CORPORATE GOVERNANCE****Company's Philosophy on Code of Governance:**

Sri Ramakrishna Mills believes that good corporate governance is essential to achieve long term corporate goals and enhance shareholders value. At Ramakrishna Mills the pursuit of perfection is an ongoing process enabling it to look back with immense satisfaction on its past achievements and look forward with confidence to a promising future, though it may be challenging. This is done with the sole view to enhance stakeholders value.

The report on corporate governance is divided into five parts:

- I. Board of Directors
- II. Remuneration of Directors
- III. Committees of the Board
- IV. Shareholder Information
- V. Other disclosures

**I. Board of Directors:**

The company has a combination of executive and non-executive directors. The Board is headed by an executive Chairman and ably supported by Managing Director and independent non-executive directors including a nominee director representing IDBI Ltd.

The table below gives the particulars of attendance of each director at the Board Meetings held during the financial year and during the tenure and at the last AGM as also the number of directorships in other companies and memberships in other Board Committees.

Name of the Director	Position	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in other companies	No. of Membership in Board Committee of other companies
(1)	(2)	(3)	(4)	(5)	(6)
Sri R Doraiswami	Executive - Chairman	4	Present	02	Nil
Sri D Lakshminarayanaswamy	Executive - Managing Director	3	Present	06	Nil
Sri L Damodaraswamy	Non-Executive-Independent	4	Present	01	Nil
Sri N Jothikumar	"	3	Leave applied	01	Nil
Sri R Narayanamurthy	"	4	Present	01	Nil
Sri R Radhakrishnan	"	4	Present	01	Nil
Sri R Ramdas	Non-Executive-Independent (IDBI Nominee Director)	2	Leave applied	02	Nil

**Board Meetings :**

From 01.10.2003 to 30.09.2004, four board meetings held on the following dates.

12.12.2003, 23.01.2004, 30.04.2004 and 28.07.2004

As required under Clause 49 XI(A), particulars of director seeking re-appointment is given in the explanatory statement in the Notice for the Annual General Meeting to be held on 23.02.2005.

**II. Remuneration of Directors :**

The Chairman and the Managing Director are paid salary as approved by the Remuneration Committee and approved by the Shareholders/Central Government wherever necessary. No sitting fee has been paid to them.

**III. Committees of the Board:**

Remuneration Committee constituted on 28.04.2003 consists of the following members:

Sri L Damodaraswamy	-	Chairman
Sri N Jothikumar	-	Member
Sri R Narayanamurthy	-	Member

The Remuneration Committee has been formed to determine the remuneration packages for Chairman and Managing Director subject to the approval of the shareholders and the Central Government, wherever applicable.