



Board of Directors

Mr. T. R. Swaminathan, **Chairman**

Mr. R. S. Jhawar

Mr. S. L. Mundra

Mr. Supriya C. Mukherjee

Mr. F. J. Guzdar, **Whole-Time Director**

Bankers

Bank of India

HDFC Bank

Solicitors

Govind Desai Associates, Mumbai

Auditors

Messrs B. K. Khare & Co.
Mumbai

Registered Office

103, Rustom Court Building,
Opp. Podar Hospital, Dr.
Annie Besant Road,
Worli, Mumbai 400 018.

Registrar & Share Transfer Agents

M/s Sharepro Services (India) Private Ltd.

Sahimita Warehousing Complex,
13 AB 2nd Floor, Gala No. 53,
Andheri (E), Mumbai 400 072
Tel No. : (022) 2851 1872, 6772 0300
Fax No. : (022) 2859 1568

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Notice of Annual General Meeting:

Notice is hereby given that Sixty Third Annual General Meeting of the Company will be held as scheduled below.

Day : Friday
 Date : 24th September, 2010
 Time : 11.30 A.M.
 Venue : Officers Club, Carter Road, Bandra (W),
 Mumbai – 400 050

The Agenda for the meeting will be as under:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Statement of Accounts for the financial year ended 31st March, 2010 and report of the Directors and Auditors thereon.
- 2) To elect a Director in the place of Mr. S. L. Mundra who retires by rotation and being eligible, offers himself for re-election.
- 3) To elect a Director in the place of Mr. Supriya Mukherjee who retires by rotation and being eligible, offers himself for reelection.
- 4) To consider and, if thought fit to pass, with or without modification, the following resolution as a special resolution
 "RESOLVED THAT Messrs. B. K. Khare & Company, Chartered Accountants, Mumbai be and are hereby appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors and they be paid in addition, out of pocket and / or traveling expenses that they may incur in carrying out their duties.

SPECIAL BUSINESS:

- 5) To consider and, if thought fit, to pass, with or without modification the following an ordinary resolution.
 "RESOLVED THAT pursuant the provisions of Sections 269, 309, 311 and other applicable provisions of the Companies Act, 1956 the Company hereby approves the appointment of Mr. F. J. Guzdar as a Whole-Time Director of the Company for a period of one year from 01.04.2010 to 31.03.2011 on the remuneration set out in the draft agreement to be executed between the Company and Mr. F. J. Guzdar placed before this meeting and initiated by the Chairman for the purpose of the identification."
- 6) To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:
 "RESOLVED THAT in accordance with the provisions of Sections 13, 16 and 94 and other applicable provisions, if any, of the Companies Act, 1956 or any amendments or re-enactment thereof and article 14 and other enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, if any, required from any authority, the existing equity shares of the face value of Re.0.50 paise (Fifty Paise) each in the Authorised Share Capital of the Company be consolidated such that 2 (Two) equity shares of face value of Rs.0.50 paise

(Fifty paise) is consolidated into 1 (One) equity share of face value of Re.1.00 (Rupee One) each and consequently, the existing Authorised Share Capital of the Company of Rs. 14,75,00,000/- (Rupees Fourteen Crores Seventy Five Lakhs) consisting of 29,50,00,000 shares of Re. 0.50 each shall stand amended to 14,75,00,000 (Fourteen Crores Seventy Five Lakhs) equity shares of the face value of Re.1.00 (Rupee One) each with effect from the Record date to be determined by the Board of Directors of the Company (the Board'), which term shall be deemed to include any committee thereof for the purpose.

RESOLVED FURTHER THAT pursuant to the proposed consolidation of the equity shares of the Company, the issued, subscribed and paid-up 2 (Two) equity shares of face value of Rs.0.50 (Fifty paise) each, as existing on record date, shall stand consolidated into 1 (One) equity shares of the face value of Rs.1.00 (Rupee One) each fully paid-up, with effect from the Record date.

RESOLVED FURTHER THAT if as a result of implementation of this resolution, any member becomes entitled to a fraction of new equity shares, the Company shall not issue any certificate or coupon in respect of such fractional share but the total number of such new equity shares representing such fractions shall be allotted by the Board to a nominee to be selected by the Board who would hold these as trustee for the members who would have been entitled to such fractions. Such nominee as soon as possible will sell the equity shares allotted to him at the fair value and the net sale proceeds after adjusting the cost and expenses in regard thereto will be distributed among such members who are entitled to such fractions in the proportion of their respective holdings(s).

RESOLVED FURTHER THAT subject to such approvals, if and to the extent necessary, the issued equity shares of the Company as are held by members in physical form be cancelled automatically and without the need to surrender the same to the Company and in lieu thereof fresh share certificates be issued for the consolidated equity shares in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, and where members hold equity shares (or opt to receive the consolidated equity shares) in dematerialised form, the consolidated equity shares in lieu thereof be credited to the respective beneficiary accounts of the members with the respective Depository Participants.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 13, 16 and 94 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof for the time being in force) and Article 14 and other enabling provisions in that behalf in Articles of Association of the Company and subject to such approvals, permissions and sanctions, if any, required from any concerned authorities, consequently, the existing paragraph one of clause 5 of the Memorandum of Association of the Company be and is hereby altered by substituting the following as new paragraph one of clause 5 of the Memorandum of Association in its place and stand with effect from the record date to be determined by the Board.

5. The Capital of the Company is Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 14,75,00,000 (Fourteen Crore Seventy Five Lakhs) equity shares of Rs.1/- (Rupees One) each and 25,000 (Twenty Five Thousand) Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each.

RESOLVED FURTHER THAT the Articles of Association of the Company be amended by deletion of the existing Article 4(a) and by substitution thereof with the following Article 4(a), with effect from the record date to be determined by the Board of Directors of the Company.

- 4 (a) The Capital of the Company is Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 14,75,00,000 (Fourteen Crore Seventy Five Lakhs) equity shares of Rs.1/- (Rupees One) each and 25,000 (Twenty Five Thousand) Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, expedient, usual or proper and to settle any question or doubt that may arise in relation thereto or as the Board in its absolute or discretion may think fit and its decision shall be final and binding on all members and other interested persons.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any committee of the Directors of the Company, to give effect to this resolution."

By order of the Board of Directors

Registered Office:
103, Rustom Court,
Opp. Podar Hospital,
Dr. Annie Besant Road
Worli, Mumbai – 400 018.

F.J.GUZDAR
DIRECTOR,

Dated:- 30th July, 2010

Notes:-

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- 2) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business to be transacted at the meeting as set out above is annexed hereto and forms part of the Notice.
- 3) The Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are also annexed.
- 4) The register of members and shares transfer books of the Company will remain closed from 16th September, 2010 to 27th September, 2010 (both days inclusive).

- 5) Members are requested to bring their copies of the Annual Report to the meeting.

ANNEXURE TO THE NOTICE:

Item No.5:

Mr. F. J. Guzdar was re-appointed as a Wholtime Director of the Company for a period up to 31.03.2011 from 01.04.2010 by the Board of Directors on 08.02.2010 to comply with provision of Section 269 of the Act. The remuneration payable to Mr. F. J. Guzdar and other terms of employment are set out in the draft agreement to be entered into between the Company and Mr. F. J. Guzdar, keeping in view the provisions of Sections 269, 309,311 & Schedule XIII of the Act. His appointment and the remuneration payable to him are subject to the approval of shareholders of the Company at the general meeting.

The general terms of the draft agreement between the Company and Mr. F. J. Guzdar referred to in resolution in item no.5 of the notice are as under.

A. REMUNETATION:

Salary of Rs. 50,000/- per month.

B. COMMISSION:

1% commission on the net profit of the Company, subject to a ceiling of 50% of the salary or Rs.120,000/ per annum whichever is less.

C. BENEFITS, PERQUISITS AND ALLOWANCES :

Category A

1. Housing:
 - Housing - I) The expenditure by the Company on hiring furnished accommodation will be subject to the ceiling of sixty percent of the salary.
 - Housing - II) In case the accommodation is owned by the Company, ten percent of the salary of Mr. F.J. Guzdar shall be deducted by the Company.
 - Housing - III) In case no accommodation is provided by the Company, Mr. F. J. Guzdar shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing I.
2. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962, subject to a ceiling of 10% of the salary.
3. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
4. Leave Travel Concession: For self and family once in a year incurred in accordance with the rules specified by the Company.
5. Club Fees: Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
6. Personal Accident Insurance: Premium not to exceed Rs.6,000/- per annum.

7. Contribution to Deferred Annuity @ 15% of the Salary.

Explanation: For the purpose of the category A, "Family" means the spouse, the dependent children and dependent parents of Mr. F. J. Guzdar.

Category B

1. Contribution to deferred Annuity will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income- Tax act.
2. The Company shall not be liable to pay contribution to Provident Fund and Gratuity.
3. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Category C

1. Provision of Company maintained car with driver for use on Company's business and telephone at residence will not be considered as perquisites.

The maximum ceiling on perquisites under category A will be restricted to an amount equivalent to the annual Salary or Rs. 600,000/- per annum, whichever is less.

- D. Mr. F. J. Guzdar is also entitled for privilege leave of one month for every eleven months of service.
- E. Mr. F. J. Guzdar shall also be entitled to attend the meeting of the Board of Directors or any committee thereof from the date of appointment but no sitting fees shall be paid to him.
- F. Mr. F. J. Guzdar shall be paid the aforesaid remuneration by way of salary and perquisites (except commission) as aforesaid, as minimum remuneration, notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profit or the profits are inadequate.
- G. Mr. F. J. Guzdar shall be entitled to reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

A copy of the draft agreement between the Company and Mr. F. J. Guzdar referred to at Item No. 5 of the notice will be open for inspection by members between 11.00 a.m. and 3.00 p.m. on any working day of the Company, at its Registered Office.

Mr. F. J. Guzdar has over 46 years of experience in the field of finance. He has worked with the Company as Vice President (Finance) from 1989 and as Vice President (Corporate) since 1997. He has also already served the Company as a Whole-Time Director from 1.10.1998 to 31.03.2010. Your Directors feel that the Company would immensely benefit from the aforesaid wide and varied experience possessed by Mr. F. J. Guzdar. Your Board accordingly recommends his re-appointment.

None of the Directors except Mr. F. J. Guzdar is interested in the resolution at Item Nos.5 of the notice since they relate to his own appointment.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract under Section 302.

Item No.6:

The existing Authorised Share Capital of the Company is Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 29,50,00,000 (Twenty Nine Crore fifty Lakh) Equity Shares of Rs.0.50/- (fifty paisa) each and 25,000 (Twenty Five Thousand) Cumulative Redeemable Preference Shares of Rs. 100/- each out of which the Issued, Subscribed and Paid-up Equity Share Capital consists of 1,03,42,250 (One Crore Three Lakh Forty Two Thousand Two Hundred Fifty) Equity Shares of Rs.0.50/- (Fifty Paisa) each. It is proposed to re-organise the Entire Authorised Share Capital of the Company by consolidating the existing two equity shares of the face value of Rs.0.50/- (Paisa Fifty) each into one equity shares of face value of Rs.1/- (Rupee One) each and consequently, The Authorised Share Capital is proposed to be altered from the existing Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 29,50,00,000 (Twenty Nine Crore fifty Lakh) Equity Shares of Rs.0.50/- (fifty paisa) each and 25,000 (Twenty Five Thousand) Cumulative Redeemable Preference Shares of Rs. 100/- each to Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 14,75,00,000 (Fourteen Crore Seventy Five Lakhs) equity shares of Rs.1/- (Rupees One) each and 25,000 (Twenty Five Thousand) Cumulative Redeemable Preference Shares of Rs. 100/- each.

The proposed consolidation of the shares of higher denomination as aforesaid would facilitate easy accessibility of the Company's equity shares by investors and availing of easy trading of shares on the stock exchanges.

The alteration in the Capital clause of Memorandum & Article of Association in consequential.

The Board of Directors commends the passing of the Special Resolution at the Item No.6 of the accompanying Notice.

The copy of Memorandum & Article of Association depicting the above proposed change is available for inspection on any working day (except Saturday) at the Registered Office of the Company from 11.00 a.m. to 1.00 p.m. till September 27, 2010.

None of Directors of the Company may be considered to be interested in the said Resolution except to the extent of Equity Shares, if any, held by them together with their relatives in the Company.

By order of the Board of Directors

Registered Office:
103, Rustom Court,
Opp. Podar Hospital,
Dr. Annie Besant Road,
Worli, Mumbai – 400 018.

Dated:- 30th July, 2010.

F.J.GUZDAR
DIRECTOR

Details of the Directors seeking re-appointment at the Annual General Meeting

Particulars	Mr. S. L. Mundra	Mr. Supriya Mukherjee	Mr. F. J. Guzdar
Date of Birth	14th Oct., 1946	3rd February, 1955	5th December, 1937
Date of Appointment	24th Nov., 2006	26th February, 2009	1st October, 1998
Expertise in specific area	Several years experience in Marketing and Customer Relationship Management	A qualified Chartered Accountant with over 30 years experience in Finance & Management In commercial, HRD, Factory operations, Projects, Rehabilitation/ Restructuring. Worked in in the capacity of Group President, Non Executive Director, Group Adviser Etc.	Mr F J Guzdar has over 45 years of experience in the field of finance. He has worked with the the Company as Vice President (Finance) From 1989 and as Vice President (Corporate) since 1997.
Directorship held in other public Companies (excluding Foreign Companies And Section 25 Companies)		Kilburn Engineering Ltd	Cosepa Fiscal Industries Private Ltd
Memberships/ Chairmanships of other Public Companies (includes only Audit and Shareholders'/ Investors' Grievance Committees)	Nil	Kilburn Engineering Ltd -Member of Audit and Shareholders Investor Grievance Committee.	Nil
Number of shares held	Nil	Nil	2330

DIRECTORS' REPORT

To the members of
THE STANDARD BATTERIES LIMITED

63rd ANNUAL REPORT

Your Directors are pleased to present herewith the 63rd Annual Report of the Company consisting of the Audited Accounts for the financial year 31st March 2010 together with the Directors' Report and Auditors' Report thereon.

FINANCIAL RESULTS

	(Rs. in 000)	
	2009-10	2008-09
Sales & Service	1537	2120
Other Income	6205	8754
	7742	10874
Less : Expenses	7367	9189
Profit & (loss) before taxation	375	1685
Provision for taxation (Fringe Benefit Tax)	–	155
Prior Period expenses	(2628)	
Extraordinary Item [Net]	12096	
Profit (loss) for the year	9843	1530
ss): Balance in Profit & Loss Account b/f	(122380)	(123910)
Less: General Reserve	39804	39804
Balance of Profit/(Loss) carried to Balance Sheet	(72733)	(82576)

DIVIDEND:

Your Directors regret their inability to recommend any Dividend for the year under review.

ANALYSIS OF RESULTS 2009-10:

Turnover during the year under review amounted to Rs.15.37 lakhs and the profit after extraordinary item is Rs.98.43 lakhs. As informed in the last Annual Report, efforts for exploring new business activities are continuing and on crystallisation of the same, necessary approvals of the share-holders will be sought.

CHANGE IN THE FACE VALUE OF EQUITY SHARES.

To facilitate trading of the Company's shares on Stock Exchange, your Directors have proposed a resolution for conversion of existing face value of shares of Re 0.50 each into Re 1/- per share. For this purpose, each share-holder will be entitled to one equity share of Re 1/- each for every two shares of Re 0.50 held by them. The Company will offer a scheme for purchase of fractional shares resulting from the change in face value.

LABOUR OUTSTANDING / DISPUTE:

As mentioned in the Director's Report last year a majority of workmen have collected their dues as per Memorandum of

settlement dated 23-10-2000 and the remaining 72 workmen are yet to collect their balance dues.

DIRECTORS:

In terms of Article 149 to 151 of Article of Association of the Company, Mr. S. L. Mundra and Mr Supriya Mukherjee retire by rotation but being eligible, offer themselves for re-election

Mr. F. J. Guzdar has been re- appointed by Board of Directors as a Whole-time Director for a further period of one year w.e.f 1st April 2010 subject to approval of shareholders of the Company at the ensuing Annual General Meeting.

SHIFTING OF REGISTERED OFFICE

The Company during the financial year for the administrative convenience, shifted Registered office to 'Rustom Court, Opp Podar Hospital, Dr Annie Besant Road, Worli, Mumbai – 400 018 'with effect from 12th November 2010.

DEPOSITS:

The Company has not accepted any public deposit during the financial year and, as such, has no outstanding as on 31.03.2010

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS:

Since the Company has sold its Industrial undertakings to Exide Industries Ltd., effective February 1998, the above particulars are no more relevant.

PARTICULARS OF EMPLOYEES:

No employee is covered under the provision of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended and, as such, there is nil information to submit.

AUDITORS:

M/s. B. K. Khare & Co., Chartered Accountants, Mumbai, the existing Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re appointment.

As the Financial Institution, Nationalised Bank and General Insurance Companies hold more than 25% of the subscribed share capital of the Company, the appointment of M/s. B. K. Khare & Company as Auditors of the Company require the passing of a special resolution pursuant to Section 224A of the Companies Act, 1956 which will be proposed at the forthcoming Annual General Meeting.

CORPORATE GOVERNANCE:

A separate report on corporate Governance is enclosed as a part of Annual Report of the Company. A certificate of practising company secretary regarding compliance of Corporate Governance as stipulated under Clause 49 of the listing agreement is annexed to the Report on Corporate Governance.

SECRETARIAL COMPLIANCE CERTIFICATE:

Secretarial Compliance Certificate pursuant to section 383 A issued by M/s R. N. Shah & Associates, Company Secretaries is annexed herewith

DIRECTORS' RESPONSIBILITY STATEMENT

Directors hereby confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that 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 and loss of the Company for the period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

AUDITOR'S OBSERVATIONS:

The observations of the Auditors are clarified in the appropriate notes to the Accounts.

ACKNOWLEDGEMENTS:

The Directors wish to thank the Government of India and various State Government Authorities, Public Financial Institutions, the Bankers, Auditors and Solicitors of the Company for the guidance, advice and assistance rendered by them from time to time. The Directors also thank the shareholders for their continued support to the Company.

For and on behalf of the Board of Directors

CHAIRMAN

Mumbai,

Dated : 24th Sept 2010

REPORT ON CORPORATE GOVERNANCE:

CORPORATE GOVERNANCE PHILOSOPHY:

The Management of The Standard Batteries Ltd have always believed that Corporate Governance is the process which will be useful for Directing and Managing the affairs of the Company with the ultimate objective of realising long term shareholder value whilst taking into account the interest of other stakeholders.

1. BOARD OF DIRECTORS

A. Composition.

The business of the Company is managed by the Whole-time Director subject to the superintendence and direction of the Board of Directors. The Composition of the Board of Directors of the Company is in conformity with the code of Corporate Governance under the Listing Agreement. Details of the Board of Directors of your Company as on 31.03.2010 are given below :

Sr. No.	Name of the Director	Executive/ Non-Executive/ Independent	No. of other Directorships held (excluding**)	Committee Membership # (excluding)		Attendance	
				As Chairman	As Member	Board Meeting	Last AGM
1	Mr. T. R. Swaminathan	Non-Executive Chairman	4	4	0	3	YES
2	Mr. R. S. Jhawar	Non-Executive	6	6	1	4	YES
3	Mr. Supriya Mherjee	Non-Executive	0	0	0	0	NO
4	Mr. F.J.Guzdar	Executive	1	0	0	4	YES
5	Mr.S.L.Mundra (LIC Nominee)	Non-Executive	0	0	0	4	YES

** Foreign companies and companies under section 25 of the Companies Act 1956 are not considered.

Only three committees i.e. Audit committee, Shareholders/ Investors grievances Committee and Remuneration Committee are considered for this purpose.

B. Four Board Meetings were held during the financial year 2009-2010. They were held on 29.06.2009, 25.09.2009, 09.11.2009 & 08.02.2010.

2. Audit Committee:

A. Composition:

The Audit Committee consist of

1. Mr. T. R. Swaminathan - Chairman
2. Mr. F.J. Guzdar – Whole time Director
3. Mr. S. L. Mundra (LIC Nominee)

B. Brief description of terms of reference.

The broad terms of reference of the Audit Committee are as under:

- To investigate any activity within its terms of reference.
- To seek information from any employee

- To obtain outside legal or other professional advices.
- To seek attendance of outsiders with relevant expertise, if considered necessary.
- Review of Company's financial reporting process.
- Review of half yearly and annual financial statement, before submission to the Board.
- Review with External Auditors, on areas of concern.
- Review the adequacy of internal control systems.
- To review whistle blower policy & Code of ethics and conducts.

Date of Audit Committee Meeting held and attended by the Members	T. R. Swaminathan	F. J. Guzdar	S. L. Mundra
29.06.2009	Absent	Present	Present
25.09.2009	Present	Present	Present
09.11.2009	Present	Present	Present
08.02.2010	Present	Present	Present

3. REMUNERATION COMMITTEE:

A. Composition.

The Remuneration Committee comprises of independent Directors, Mr. T. R. Swaminathan - Chairman and Mr. R. S. Jhawar, as member, with the following terms of reference:

- i) to determine and recommend to the Board of Directors the remuneration package of the Whole-time Director including periodical revisions therein,
- ii) to approve, in the event of loss or inadequate profits in any year, the minimum remuneration payable to the Wholetime Director within the limits and subject to the parameters prescribed in Schedule XIII to the Companies Act, 1956.
- iii) To recommend sitting fees / remuneration payable to the non-executive Directors.

One Meeting was held on 08th February, 2010 and both the members of the Committee were present

Stock option scheme: The Company does not have any Employee Stock Option Scheme.

B. Remuneration Policy.

The remuneration of the Wholetime g Director is determined by the Board within the statutory limits on the basis of recommendation of the Remuneration Committee, subject to shareholders' approval and Central Government approvals if required.

The Details of Remuneration paid to the Wholetime Director for the period ended 31st March, 2010 is as follows:

(Rs. in Lakhs)

Name of the Wholetime Director	Salary	Perquisites	Contribution to Retirement Funds	Total	Tenure as per service contract	Notice period
Mr. F.J.Guzdar	6.00	1.80	--	7.80	One year	3 months