



Stone India

DUNCAN GOENKA

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**ANNUAL REPORT
2008 - 2009**

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BOARD OF DIRECTORS

Chairman	Director
G. P. Goenka	S. Ray
Managing Director & CEO	I. Sen
A. Mondal	A. Agarwal
Whole time Director	A. K. Goswami
Shrivardhan Goenka	

SECRETARY

P. Sircar

BOARD COMMITTEES

Audit Committee		Shareholders'/Investors' Grievance Committee		Remuneration Committee	
S. Ray	Chairman	S. Ray	Chairman	I. Sen	Chairman
I. Sen	Member	I. Sen	Member	G. P. Goenka	Member
A. K. Goswami	Member	A. Mondal	Member	S. Ray	Member
A. Mondal	Permanent Invitee			A. Agarwal	Member

CORPORATE MANAGEMENT COMMITTEE

Members

A. Mondal	Managing Director & CEO
G. Ghosh	Sr. Vice President (Marketing)
U. Palit	Sr. Vice President (Operations)
P. Sircar	VP-CFO & Secretary

Bankers
State Bank of India
Indian Overseas Bank
ICICI Bank Limited

Auditors
Lodha & Co.
Chartered Accountants
14 Government Place East,
Kolkata 700 069

Registrar & Share Transfer Agent

C. B. Management Services Pvt. Ltd.
P-22, Bondel Road, Kolkata 700 019
Ph.: +91 33 40116700/6701/ 6718/6723
Fax: +91 33 2287 0263 E-mail: rta@cbmsl.com

Registered Office

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Phone: +91 33 2401 4661-8, Fax: +91 33 2401 4886
E-mail: info@stoneindia.co.in, Website: www.stoneindia.co.in

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 79th Annual Report on the business and operations of your Company for the financial year ended 31st March, 2009.

FINANCIAL HIGHLIGHTS

	(Rs. in Lacs)	
	2008-09	2007-08
Gross Turnover	9036.53	8984.83
Profit before Interest, Depreciation, Taxation & Exceptional items	(347.53)	1417.66
Interest	278.75	244.68
Depreciation	113.45	96.83
Profit before Taxation and Exceptional items	(739.73)	1076.15
Prior Period Items	(17.40)	—
Profit before Taxation after Exceptional items	(757.13)	1076.15
Provision for Taxation –Current Tax	—	127.00
Provision for Taxation –Deferred Tax	86.23	40.14
Fringe Benefit Tax	14.83	13.07
Income Tax for Earlier Year	2.23	(9.70)
Profit after Taxation	(860.42)	905.64
Balance brought forward from previous year	1272.87	678.33
Profit available for appropriation	412.45	1583.97
APPROPRIATIONS		
Proposed Dividend (Nil; @ 12.5% for 07-08)	—	94.96
Tax on Dividend	—	16.14
Transfer to/(from) General Reserve	—	200.00
Balance Carried to the Balance Sheet	412.45	1272.87

OPERATIONS

Fiscal 2008-09 witnessed a sharp slowdown in the Indian economy after five years of very good growth. The cyclical downturn was aggravated by huge inflationary pressures in the Indian economy in the first half of the financial year 2008-09. By the middle of the second quarter, inflation had reached an alarming level of 13% plus. In the international scenario, the American financial crisis exploded post September 2008 into a global phenomenon which pushed most world economies into a prolonged recession. As a result, the money, debt and credit markets were adversely impacted and the banking system in the country continued to be risk averse in this weak economic environment.

The volatile financial and commodity markets resulting in high raw material prices and the general inflationary pressure combined to exert intense pressure on the financial performance of your Company. Despite the above adverse circumstances and steep competitive forces in the market lowering unit realization for some of the products, your Company posted a growth in Net Sales of 1.7%. Gross turnover for the current year reached Rs. 9036.53 Lakhs as compared to Rs. 8984.83 Lakhs in the previous year. As you are aware, your Company is a principal supplier of safety products to Indian Railways and operates on fixed price contracts. These contracts were awarded to the Company in the earlier year when material prices were lower. The sharp increase in raw material prices which continued throughout 2008-09 resulted in shrinkage in margins which could not be recovered by way of price increases. The Company incurred an operating loss before interest,

depreciation, taxation and exceptional items of Rs. 347.53 Lakhs during the financial year 2008-09.

However, this trend is expected to be reversed in 2009-10 since the Company has been able to get contracts at higher prices to offset the cost increase in many of its product lines and the Company has also undertaken aggressive rationalization measures to enhance cost competitiveness to cushion the impact of external factors. Moreover, your Company is also focusing more on new product development which is expected to yield better profitability and realization.

Setting up of the green field facility in Nalagarh, Himachal Pradesh to manufacture a number of existing and a slew of new products was completed during the year. The Company has already received approval from the Railway Design & Standards Organization (RDSO) for manufacture and supply of Distributor Valves and Panel Mounted Brake systems from this unit. Approvals for other products to be manufactured there are on the anvil. Accordingly, this unit has commenced commercial sales from April 2009.

Your Company continues to lay significant emphasis to upgrade its technology and increase its volumes to accelerate further growth of turnover. New products have been introduced, details of which are given below.

Your Company established a Railway Electronic Division to undertake design and development of Electronic Brake Systems

DIRECTORS' REPORT (Contd.)

using advanced electronic & optics technology. During the year the prototype Electronic Brake System for Diesel Locomotives was developed and was inspected by RDSO for undertaking a trial on a nominated Diesel Locomotive at the Diesel Locomotive Shed, South Eastern Railway. The trials have been so far successful and the extended trial will be conducted very soon to receive the final approval of the product.

As mentioned in our earlier report, the End of Train Telemeter with service brake application was built on the platform of your Company's technical collaborator, 'EMS Industries' basic End of Train Device. Stone India is the second Company in the world to have an End of Telemeter product with this feature. This product uses advanced GPS & GSM Technology and will be integrated to Electronic Brake System & Locomotive Microprocessor. The Company has received a trial order which was executed and the product is presently under testing.

Following from your Company's technical collaboration with Sumitomo Electric Industries Ltd., Japan for manufacture of Air Springs, and completion of the in-house development of control system for pneumatic suspension, your Company has been able to get repeat orders for Air Suspension Control Equipments. The business for Air Springs is expected to grow substantially in the coming years as Indian Railways have decided to turn out all EMU as well as Main Line Coaches duly assembled with Air Springs to improve passenger comfort from the year 2009-2010.

Another new product, the Tread Brake Unit (TBU) has been manufactured and assembled in technical collaboration of MZT Hepos, Macedonia. The first prototype of this product has been supplied to Indian Railways.

A prototype of 180 kVA Converter for Electric Locomotives in Indian Railways is expected to be supplied in 2009-10. This product is being developed in Technical Collaboration with SMA Industrie, Germany.

During the year the Company has developed with in-house R&D efforts, Fault Diagnostic Control System for which a developmental order has been received from Chittaranjan Locomotive Works.

Your Company achieved a major breakthrough in the Pantograph business with the development of High Reach Intelli Pantograph which was developed as an in-house R&D effort. Company has been able to deliver the first lot of Pantographs to Indian Railways in record time and the trials have been successful in the maiden run of these Pantographs in the East Coast Railway. The supply of these Pantographs to Indian Railways helped Indian Railways to obtain JBIC (Japan Bank of International Credit) loan for electrification of both the corridor for upcoming dedicated Freight Corridor Project.

DIVIDEND

Considering the unsatisfactory performance for the year your directors do not recommend a dividend for the year ended 31st March, 2009.

ENERGY CONSERVATION

Your Company has introduced certain Energy saving measures and re-engineering method in terms of utilization of factory and office spaces. Further, your Company continues to monitor and control the consumption of various sources of energy comprising power, oil, fuel, gas in a bid to reduce energy cost despite increase in production and power tariffs.

FOREIGN EXCHANGE EARNING AND OUTGO

Your Company earned Rs. 30 Lacs foreign exchange during 2008-09 as against Rs. 55 Lacs during 2007-08. However, foreign

exchange outgo during the year amounted to Rs. 430 Lacs (including import of components and spare parts) against Rs. 249 lacs during previous year.

PERSONNEL

Industrial Relations with all employees at the various levels continued to remain harmonious and cordial. Your Company as a part of its Human Resources Development activity continued to train employees at all levels to enhance their effectiveness in contributing towards the overall goal of your Company through knowledge improvement and skill up-gradation.

The Long Term Settlement entered into with the two recognized factory unions continued to be in force resulting in improved productivity during the financial year.

DIRECTORS

Your Directors deeply regret to inform you about the sad demise of Mr. Supriya Gupta, Director on 7th February, 2009. The Board wishes to place on record the distinguished service rendered by Mr. Gupta during his association with the Company and its appreciation of the valuable advice and guidance received from Mr. Gupta during his tenure as a Director of the Company.

Mr. Ashwani Kumar Goswami was appointed as a Director on 30th June, 2009 in the casual vacancy caused by the death of Mr. Gupta. In terms of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Goswami shall hold office upto the date upto which Mr. Gupta would have held office i.e., upto the date of the ensuing annual general meeting.

In accordance with the provisions of the Companies Act 1956 and the Articles of Association of the Company, Mr. I. Sen and Mr. A. K. Goswami retire by rotation and, being eligible, offer themselves for re-appointment.

OTHER INFORMATION

In accordance with the provisions of Section 217 of the Companies Acts, 1956 ("the Act") read with the Companies (Particulars of Employees) Rules 1975, the names and other particulars of employees are set out on the annexure to the Directors' Report. As per the provisions of Section 219(1)(b)(iv) of the Act, the Directors Report is being sent to the shareholders of the Company excluding such particulars of employees under Section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the said annexure may write to the Secretary at the Registered Office of the Company.

Form No. B pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules 1988 so far as is applicable to the Company is annexed and forms a part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that :

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements 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 or loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the

DIRECTORS' REPORT (Contd.)

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) The Directors have prepared the Annual Accounts on a going concern basis; and
- (v) The Managing Director and the Vice President CFO & Secretary, both have furnished the necessary certification to the Board on these financial statements as required under the revised Clause 49 of the Listing Agreement(s) with the stock exchanges where the equity shares of the company are listed.

DEMATERIALISATION OF SHARES

Your Company's shares are under transfer-cum-demat option. Shares of your Company can be traded only in dematerialized form. You have the option to hold the Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). 91.61% of the total equity share capital of your Company was held in dematerialized form with NSDL and CDSL as on 31st March, 2009.

CORPORATE GOVERNANCE

Necessary measures have been adopted to comply with the requirements of the Listing Agreements with stock exchanges wherein your Company's shares are listed. A separate report on Corporate Governance adopted by the Company forms part of this report.

A certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as also the Management Discussion and Analysis Report stipulated under Clause 49 of the Listing Agreement is attached to this report.

CODE OF CONDUCT

Your Company has formulated Code of Conduct in compliance to the requirements of revised Clause 49 of the Listing Agreements with Stock Exchanges which has been posted in the Website of your Company. This Code of Conduct and Ethics applies to the Board members and Senior Management personnel of your Company. Confirmation towards adherence to the Code during the Financial Year 2008-09 has been obtained from all Board Members and Senior Management personnel in terms of the requirements of Clause 49 of the Listing Agreement and a declaration relating to compliance to this Code during the year under review by all Board Members and Senior Management Personnel has been given by the Managing Director of the Company which accompanies this report.

AUDITORS

Messrs Lodha & Co., Chartered Accountants retire as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Audit Committee of Board of Directors recommended the re-appointment of Messrs Lodha & Co., Chartered Accountants as Statutory Auditors to

hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting. Messrs Lodha & Co. confirmed their eligibility and willingness to continue to act as Auditors of the Company for the Financial Year 2009-10, if re-appointed.

AUDITORS' REPORT

The Board has noted the observations of the Auditors in their report. These have been dealt with adequately at the appropriate places in the notes to these accounts and call for no further comments.

PUBLIC DEPOSITS

Your Company has not accepted any Public Deposits.

SUBSIDIARY COMPANY

Stone Intermodal Private Limited incorporated on 15th October 2008, became a Wholly Owned Subsidiary of the Company with effect from 1st March, 2009.

FORWARD-LOOKING STATEMENTS

This Annual Report contains statements which, to the extent they are not statements of historical or present fact, constitute "forward-looking statements". From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These forward-looking statements are intended to provide management's current expectations or plans for future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as "anticipate", "believe", "emerge", "estimate", "enjoy", "eventually", "expect", "guidance", "intend", "near future", "plans", "prospects", "project", "strategy", "target", "will", "would" and other words of similar meaning as they may relate to the Company and/or its business in connection with a discussion of future operating or financial performance. All forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. Readers are therefore cautioned that such statements speak only of the situation as of their dates and hence actual performances or achievements could differ from those expressed or implied in such forward-looking statements. Your Company undertakes no responsibility to publicly or otherwise update or revise any such forward-looking statement at any time.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their whole-hearted appreciation for the unstinted support and co-operation received from the banks, financial institutions, customers and shareholders during the year under review. Your Directors also wish to place on record their appreciation for the services rendered by the employees at all levels and for their valuable contribution to the Company.

For and on behalf of the Board

G. P. GOENKA
Chairman

Date : 7th July, 2009
Kolkata

Report of the Directors (Continued)
ANNEXURE TO THE REPORT OF THE DIRECTORS
FORM 'B'

Form for disclosure of particulars with respect to Absorption, Research and Development (R&D)

1. Specific area in which R&D carried out by the Company	Rail & Defence Products
2. Benefits derived as a result of the above R&D	Import substitution, development of new products, improvement of existing products and cost reduction.
3. Future plan of action	<p><u>Railway Items :</u></p> <p>Development of -</p> <ol style="list-style-type: none"> 1. Bogie Mounted Brake systems 2. Tread Brake unit for High Horse Power Electric Locomotive 3. Electric Rectifier cum Regulator for Air conditioned Coaches 4. Disc Brake systems for high speed coaches 5. Air spring suspension system for Metro and EMU Coaches. 6. Static Converter of 180 kVA capacity for AC Locomotives 7. End of Train Telemetry System 8. Intelli Pantograph for dedicated freight corridor 9. WSP for Coaches and Locomotives 10. Fault Diagnostic Control System for Electric Locomotive 11. Electronic Brake System for Locomotives 12. Biological toilets for Coaches 13. Control Discharge Toilet System for coaches
4. Expenditure on R & D	
(a) Capital	Rs. 282.00 Lacs
(b) Recurring	Rs. 67.01 Lacs
(c) Total	Rs. 349.01 Lacs
(d) Total R&D Expenditure as a percentage of total turnover	4.34%

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	<p>The Company makes continuous efforts for –</p> <ol style="list-style-type: none"> (i) adaptation and innovation of its product designs to meet the specification and changing requirements of its customers; (ii) indigenisation of raw materials and components in a phased programme with cost benefits to minimise the imported content of raw materials in finished products; and (iii) upgradation of existing technology and/or importation of new technology through various foreign collaborations.
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Report of the Directors (Continued)
ANNEXURE TO THE REPORT OF THE DIRECTORS

FORM 'B' (Continued)

Form for disclosure of particulars with respect to Absorption, Research and Development (R&D)

- | | |
|---|--|
| <p>2. Benefits derived as a result of the above efforts e.g. development, import substitution, etc.</p> | <p>Benefits derived as a result of the above efforts products improvement, cost reduction, product are -</p> <ul style="list-style-type: none"> (i) minimisation of import will result in cost reduction and thus save foreign exchange; (ii) meeting customers' requirements and achieving customers' satisfaction and hence resulting in getting continued orders. (iii) upgradation of new test-rigs in Defence production for achieving high quality products; (iv) continuous improvement of existing technology and/or induction of fresh technology; and (v) new product development and improvement of existing products. |
| <p>3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial year), following information may be furnished :</p> | <p>Technologies imported during the last 5 years from the Financial Year 2005-06 are as follows :</p> |
| <p>(a) Technology imported</p> | <ul style="list-style-type: none"> (i) For manufacturing of "Vaporid Air Dryers" as per technology obtained from WABTEC Corporation U.S.A. (ii) For manufacturing of "C3W Relay Valve" as per technology obtained from MZT Hepos AD, Macedonia. (iii) For manufacturing of "Air Spring" as per technology obtained from Sumitomo Electric Industries Limited, Japan. (iv) For manufacturing of "Tread Brake Unit" as per technology obtained from MZT Hepos AD, Macedonia. |
| <p>(b) Year of Import</p> | <p>(i) 2005-06, (ii) 2007-08, (iii) 2008-09, (iv) 2008-09</p> |
| <p>(c) Has technology been fully absorbed</p> | <p>(i), (ii), (iii) & (iv) Yes</p> |
| <p>(d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action.</p> | |

Date : 7th July, 2009
 Kolkata

For and on behalf of the Board
G. P. GOENKA
Chairman

Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance.

THE COMPANY'S GOVERNANCE PHILOSOPHY

Good corporate governance is a structure and relationship which determine corporate direction and performance by sound management, transparency, accountability and fairness. The corporate governance framework should therefore encourage the efficient use of resources and equally, require accountability for the stewardship of those resources. The aim is to align as nearly as possible the diverse interests of individuals, corporations and society.

Stone India therefore believes that the key to achieve sustainable long-term growth of the Company as well as protecting the most important parties: shareholders, directors and management is sound corporate governance. The concept of corporate governance is entering a phase of global convergence. The driver behind this is the recognition that companies need to attract and protect all stakeholders, especially investors – both domestic and foreign. Global capital seeks its own equilibrium and naturally flows to where it is best protected and bypasses where protection is limited or non-existent. Stone India acknowledges that the Company stands to gain by adopting systems that bolster investor trust through transparency, accountability and fairness.

The tide of regulation has risen to a high watermark and while there is compelling evidence of financial benefits to companies which adopt good governance practices, it has often been felt that the ethos of corporate governance still needs to sink in. Corporate irregularities continue to plague investors as regulators relentlessly strive to cleanse the system. Financial scandals often prompt an overhaul of regulation. But the efficacy of regulation can get negated when compliance becomes a box-ticking exercise with prohibitive costs. Again, there is no single model of good corporate governance. Principles, values and ethics cannot be typecast into a universal one-size-fits-all framework. Towards this end the Company has a well laid out documents with respect to "Code of Business Conduct & Ethics" and "Whistle Blower Policy". All employees abide by them in letter & spirit.

Stone India within its web of relationships with its borrowers, shareholders and other stakeholders has always maintained its fundamental principles of corporate governance – that of integrity, transparency and fairness. For Stone India, corporate governance is a continuous journey, seeking to provide an enabling environment to harmonise the goals of maximising shareholder value and maintaining a customer centric focus.

Stone India maintains that efforts to institutionalise corporate governance practices cannot solely rest upon adherence to a regulatory framework. Stone India's corporate governance compass has been its newly adopted business practices, its values and personal beliefs, reflected in the actions of each of its employees.

Stone India believes that while an effective policy on Corporate Governance must provide appropriate empowerment to the

executive management, it must also create a mechanism of internal controls to ensure that the powers vested in the executive management are properly used with appropriate consideration and responsibility so as to fulfill the objectives of the Company.

The Board of Directors fully support and endorse corporate governance practices as per the provisions of the listing agreements as applicable from time to time.

THE GOVERNANCE STRUCTURE

The Corporate Governance structure in Stone India is based on an effective independent Board, the separation of the Board's supervisory role from the executive management and the constitution of Board Committees, comprising a majority of independent Directors and chaired by an independent Director to oversee critical areas.

BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all policy, statutory and other significant and material information are placed before the Board.

Composition of the Board

Stone India has a broad-based Board of Directors constituted in compliance with the terms of the listing agreement with stock exchanges and in accordance with best practices in corporate governance. The Board of Directors of your Company comprises Executive and Non-Executive Directors, the latter includes independent professionals who are also independent Directors.

In accordance with the Governance Policy, Non-Executive Directors are Promoters and eminent professionals with experience in business/finance/management. Directors are appointed/re-appointed with the approval of the Shareholders for a period of three to five years or for a shorter duration as the Board deems fit from time to time. All Directors are liable to retire by rotation except the Chairman so appointed shall not be liable to retirement by rotation so long as the limits prescribe under Section 255(1) of the Act are complied with. One-third of the Directors retires by rotation every year and are eligible for re-election. In terms of the Articles of Association of the Company, the strength of the Board shall not be less than three nor more than twelve.

The following is the composition of the Board as on 31st March 2009 :

Category	No. of Directors	Percentage of total no. of Directors
Non-executive Director & Promoter	1	16.7%
Non-Executive Independent Director	3	50.0%
Executive Directors	2	33.3%
Total	6	100.0%

The strength of the Board of Directors as on date is seven.

Report of Corporate Governance (Contd.)

The Board is headed by the Non-Executive Chairman, Mr. G. P. Goenka, and comprises six other Directors. Out of whom one is the Managing Director & CEO, one is the Whole time Director and rest are Non-Executive Directors. The Directors are eminently qualified and have rich experience in business, banking & finance and corporate management. More than half of Board of Directors is "independent". The independent Directors do not have any pecuniary relationship or transaction with the Company, promoters or management, which may affect their judgments in any manner. The day-to-day management of your Company vest with the Managing Director subject to the superintendence, control and directions of Board of Directors.

The policy formulation, evaluation of performance and the control function vest with the Board, while the Board Committee oversees operational issues. The Board meets at least once in a quarter to consider *inter alia* the quarterly performance of your company and financial results. Directors attending the meeting actively participate in the deliberations at these meetings

The names of the Board members, their attendance at Board meetings and General Body meetings held during the financial year under review and the number of other Directorships and Board Committee memberships held by them at March 31, 2009 are given below:

COMMITTEES OF THE BOARD

Presently, there are three Committees of the Board – the Audit Committee, the Remuneration Committee and the Shareholders'/ Investors' Grievance Committee.

The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the Committee Chairman. Signed minutes of Board Committee meetings are placed at the Board for information. The respective role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

I. Audit Committee

The Audit Committee provides general direction and oversees the audit and risk management function in the Company. It carries out periodic review of accounting policies and internal control systems, reviews the quality of internal and management audit reports, ensures the reliability of financial and other management information and adequacy of disclosures; it also acts as an interface between the statutory and internal auditors and the Board of Directors.

The terms of reference of the Audit Committee are in line with Clause 49 II (C) and (D) of the Securities & Exchange Board of India prescribed Listing Agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956.

Name of the Board Member	Category ¹	Board Meetings attended out of 5 Meetings held during the year	Attendance at the last AGM held on 29th August 2008	Number of other Directorships ²	Number of other Committee Memberships ³
Mr. G. P. Goenka	C & NED & P	5	Present	7	1
Mr. S. Ray	NED & ID	4	Present	6	6 (2)
Mr. I. Sen	NED & ID	3	Present	1	2
Mr. Shrivardhan Goenka	ED & P	5	Present	10	2
Mr. S. Gupta ⁴	NED & ID	4	Present	11	8(4) ⁴
Mr. A. Agarwal	NED & ID	—	Present	2	—
Mr. A. Mondal	MD	5	Present	3	—

¹ C: Chairman; MD: Managing Director; NED: Non-Executive Director; P: Promoter; ID: Independent Director; ED: Executive Director.

² Excludes alternate directorship and committees other than Audit Committee, Shareholders'/Investors' Grievance Committee, Remuneration Committee and other than Public Limited & Foreign Companies.

³ Figures in brackets indicate Committee Chairmanships.

⁴ Mr. S. Gupta expired on 7th February 2008 and therefore, he ceased to be a Director as well as a Member of the Audit Committee with effect from that date. In the casual vacancy so caused, Mr. A. K. Goswami was appointed as a Director as well as a member of the Audit Committee with effect from 30th June, 2009.

Details of Board Meetings held during the financial year

During the year 2008-09, five Board Meetings were held on 8th May 2008, 25th June 2008, 29th July 2008, 27th October 2008 and 20th January 2009.

The terms of reference of Audit Committee include the following:

- Overseeing company's financial reporting process and the disclosure of its financial information.
- Recommending appointment or removal of the external auditors, fixing of audit fees and approving payments for any services.