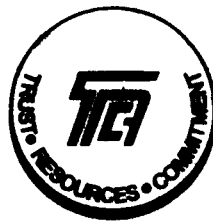


**NINTH  
ANNUAL REPORT  
2002-2003**

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**TFC Financial Services Limited**

**TRC FINANCIAL SERVICES LIMITED***NINTH ANNUAL REPORT 2002-2003***BOARD OF DIRECTORS**

T. R. Chadha	<i>Chairman</i>
Prem Nath Anand	
Anuj Anand	
Harsukh B. Gohel	
Manu Chadha	
Sumant Chadha	
Deepak Virmani	<i>(Alternate to P. N. Anand)</i>
Ajesh Tuli	<i>(Alternate to Anuj Anand)</i>
P. C. Seth	<i>Additional Director</i>
Ashwani Tewari	<i>Additional Director</i>

**COMPANY SECRETARY**

Nikhil Jain

**AUDITORS**

Johar & Kathpalia  
*Chartered Accountants*  
 405, South-Ex Plaza-II  
 South Extension II  
 New Delhi-110049

**BANKERS**

Central Bank of India  
 Green Park, New Delhi  
 Canara Bank  
 SDA Commercial Complex, New Delhi

**REGISTERED OFFICE**

10223, First Floor  
 Indian Overseas Bank Building  
 Gurudwara Road  
 Karol Bagh  
 New Delhi-110005

**REGISTRAR & TRANSFER AGENTS**

M/s. Alankit Assignments Limited  
 205-206, Anarkali Complex  
 Jhandewalan Extn., New Delhi 110 055  
 Ph. 51540060-63  
 Fax : 51540064  
 E-mail : alankit@alankit.com

**The Company is listed on the following Stock Exchanges:**

1. The Delhi Stock Exchange Association Ltd., DSE House, 3/1, Asaf Ali Road, **New Delhi-110 002.**
2. The Stock Exchange, Phiroze Jeejeebhoy Tower, Dalal Street, **Mumbai-400 001.**
3. The Jaipur Stock Exchange Limited, New Building, Jawahar Nehru Marg, Near Railway Pulia, Malviya Nagar, **Jaipur**

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**TRC FINANCIAL SERVICES LIMITED**

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**NOTICE**

Notice is hereby given that the Ninth Annual General Meeting of the Members of TRC Financial Services Limited will be held on Tuesday, the 30th September, 2003 at 11.00 A.M. at ARJUN FARMS, (Khasra No.11/16) Village Pindwala Khurd, Jhatikra Road, New Delhi-110 071, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2003 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors' & Auditors thereon.
2. To appoint a Director in place of Mr. Prem Nath Anand, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Harsukh B. Gohel, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

"RESOLVED THAT M/s. Johar & Kathpalia, Chartered Accountants, New Delhi, be and are hereby re-appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration, mutually agreed between the Board of Directors of the Company and the Auditors."

**SPECIAL BUSINESS****Item No. 5**

To consider and if thought fit, to pass, with or without modification(s), following resolution, as an Ordinary Resolution: "RESOLVED that Mr. Ashwani Tewari, who was appointed as an Additional Director by the Board of Directors of the Company, holds office upto the date of this Annual General Meeting, by virtue of Section 260 of the Companies Act, 1956, read with Article 80 of the Articles of Association of the Company and in respect of whom the Company has received a notice, with deposit u/s 257 of the Companies Act, 1956, proposing him for the office of Director, be and is hereby appointed as the Director of the Company."

**Item No. 6**

To consider and if thought fit, to pass, with or without modification(s), following resolution, as an Ordinary Resolution: "RESOLVED that Mr. P. C. Seth, who was appointed as an Additional Director by the Board of Directors of the Company, holds office upto the date of this Annual General Meeting, by virtue of Section 260 of the Company and in respect of whom the Company has received a notice, with deposit U/s 257 of the Companies Act, 1956, proposing him for the office of Director, be and is hereby appointed as the Director of the Company."

**Item No. 7**

To consider and if thought fit, to pass, with or without modification(s), following resolution, as an Ordinary Resolution: "RESOLVED THAT in accordance with the provisions of Section 198, 269, 386, 387 and 388 read with schedule XIII and other applicable provisions of the Companies Act, 1956 (including any

statutory modification or reenactment thereof for the time being in force), the consent of the company be and is hereby given for ratification of the increase in salary of Mr. Ashwani Gupta, Manager, from 01.04.03 to his present tenure, expiring on 14.09.03, as already approved by the Remuneration Committee of the Board of Directors of the Company, within limits prescribed under Schedule XIII of the Companies Act, 1956, and also for continuation of his term of appointment, as Manager, at the same salary, terms and conditions, as approved by the Remuneration Committee/Board of Directors, w.e.f. 01.04.03, viz. the present salary, in accordance with Section 386 of the Companies Act, 1956, for the period 15.09.03 to 14.09.04 (with power to Remuneration Committee/Board of Directors, to increase his salary, within limits permitted under Schedule XIII of the Companies Act, 1956), as follows:

Basic Salary	: Rs. 11,000.00 per month
House Rent Allowance	: Rs. 5,000.00 per month
Medical Reimbursement	: Rs. 1,200.00 per month
Conveyance Allowance	: Rs. 800.00 per month
Total	Rs. 18,000.00 per month

Expenses incurred in discharge of his duties shall also be reimbursed to him. These terms and conditions are in compliance to the norms laid down under Section II, Part II of Schedule XIII of the Companies Act, 1956."

**Item No. 8**

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution: "RESOLVED that, subject to the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange of Board of India Act, 1992 and the rules framed thereunder, Securities and Exchange Board of India (Delisting of Securities), Guidelines, 2003 and other applicable laws, rules and regulation and guidelines and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions as may be prescribed by The Securities and Exchange Board of India and Stock Exchanges while granting such approvals, permission and sanction which may be agreed to by the Board of Directors of the Company, which expression shall be deemed to include any Committee of the Board for the time being exercising the powers conferred by the Board, the consent of the company be and is hereby accorded to the Board to voluntarily de-list the equity shares of the Company from The Jaipur Stock Exchange Limited and The Delhi Stock Exchange Association Limited."

"RESOLVED FURTHER that the Board be and is hereby authorized to do all acts, deeds and things as it may in its absolute discretion deem necessary and appropriate to give effect to the above Resolution."

By Order of the Board  
For **TRC FINANCIAL SERVICES LIMITED**

Place : New Delhi  
Date : 26.07.2003

(NIKHIL JAIN)  
Company Secretary

**Notes:**

1. The explanatory statement as required by Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.

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2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL IN HIS/HER STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer Books of the company shall remain closed from 23rd September, 2003 to 30th September, 2003 (both days inclusive).
4. Members are requested to bring their copies of the Annual Report to the meeting, since additional copies will not be available.

**EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 5 & 6**

Mr. Ashwani Tewari and Mr. P.C. Seth were inducted as Additional Directors of the Company, by the Board of Directors of the Company in their meeting held on 26th July, 2003, in terms of Section 260 of the Companies Act, 1956, read with Article 80 of the Articles of Association of the Company. They hold their offices upto this Annual General Meeting.

The Company has also received notices, along-with deposits, under section 257 of the Companies Act, 1956, from some members of the Company, proposing both these Directors, as candidates for the office of Directors.

Information, regarding their brief resume, experience and their directorships/ memberships in other Companies/ Committees, as required to be given under Corporate Governance, are furnished in the separate segment (viz. on Corporate Governance) of the Annual Report.

**Memorandum of Interest**

Mr. Ashwani Tewari and Mr. P.C. Seth, will be interested in their respective appointment.

**Item No. 7**

Mr. Ashwani Gupta, Chartered Accountant by profession, who is having vast experience of over 8 years, has been holding office of Manager U/s 386 of the Companies Act, 1956, since 15th September, 2001.

Shareholders, in their previous AGM held on 30th September, 2002, had approved, his appointment as Manager and payment of following remuneration, w.e.f. 15.09.01 to 14.09.03:

Basic Salary	: Rs. 8,000.00 per month
House Rent Allowance	: Rs. 3,500.00 per month
Medical Reimbursement	: Rs. 1,200.00 per month
Conveyance Allowance	: Rs. 800.00 per month
<b>Total</b>	<b>Rs. 13,500.00 per month</b>

Considering his responsibilities in the company and the multiple folio's handled by him, the Remuneration Committee of the Board of Directors of the Company, had approved for increase in his salary, w.e.f. 01-04-03, subject to ratification by Shareholders, as follows:

Basic Salary	: Rs. 11,000.00 per month
House Rent Allowance	: Rs. 5,000.00 per month
Medical Reimbursement	: Rs. 1,200.00 per month
Conveyance Allowance	: Rs. 800.00 per month
<b>Total</b>	<b>Rs. 18,000.00 per month</b>

Hence by virtue of resolution proposed, the consent of the shareholders is sought for both ratified approval for increase in salary for the period from 01-04-03 to 14-09-03, at above consolidated salary of Rs. 18,000/- p.m. and also for extension of term of his appointment for further one year from 15-09-03 to 14-09-04, at the above consolidated salary of Rs. 18,000/- p.m., with power to Remuneration Committee/ Board of Directors, to increase his salary, within limits permitted under Schedule XIII of the Companies Act, 1956, but subject to provisions of Section 198, 269, 386, 387, 388 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or reenactment thereof for the time being in force).

His extension of appointment, will be made in compliance with Section 269 of the Companies Act, 1956.

Your Directors recommend adoption of the resolution.

**Memorandum of Interest**

None of Director(s) is concerned or interested in the resolution.

**Item No. 8****Delisting of Securities**

The equity shares of the Company are listed on the following stock exchanges :

The Stock Exchange, Mumbai (BSE)

The Delhi Stock Exchange Association (DSE)

The Jaipur Stock Exchange Limited

With de-mat of around 75% of shares & the extensive connectivity of the BSE, investors have access to dealings in the equity shares of the company, all over the country. The bulk of the physical trading in the equity shares of the Company takes place on BSE only. Physical Trading, if any, on the other stock exchanges is negligible and the listing fees paid to these other stock exchanges are disproportionately high as compared to the Physical trading volumes. As part of the cost reduction measures and to protect the investors funds it is proposed to voluntarily de-list the equity shares of the Company from the Stock Exchanges at Jaipur & Delhi. As the shares, will continue to be listed at BSE, where maximum physical trading takes place, investors will not be adversely affected and further formalities like, exit opportunity to investors, entailing determination of exit price through book building process, need not be followed. The de-listing will take effect after all approvals, permissions and sanctions are received.

Since the approval of Members is required for such voluntary delisting by way of a Special Resolution, the Directors recommend the passing of the special Resolution at Item No. 8.

**Memorandum of Interest**

None of the Directors of the Company is deemed to be concerned or interested in the above Resolution.

By Order of the Board  
For **TRC FINANCIAL SERVICES LIMITED**

Place : New Delhi  
Date : 26.07.2003

(NIKHIL JAIN)  
Company Secretary

**TRC FINANCIAL SERVICES LIMITED**

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**DIRECTORS' REPORT**

To The Members of  
**TRC Financial Services Limited**

Your Directors' have pleasure in submitting the Ninth Annual Report of your company together with the audited Statement of Accounts for the year ended 31st March, 2003.

**FINANCIAL RESULTS**

The financial results of the company for the year ended 31st March, 2003 compared to the previous year are summarised below:

	<i>(Rs. in lakhs)</i>	
	<b>Year Ended 31.03.2003</b>	<b>Year Ended 31.03.2002</b>
Total Income	<b>45.79</b>	87.35
Profit before interest & depreciation	<b>17.80</b>	55.51
Interest	<b>0.26</b>	1.77
Profit after interest but before depreciation	<b>17.54</b>	53.74
Depreciation/Lease Equalisation/ Lease Termination	<b>23.82</b>	51.22
Preliminary & Share Issue Expenditure written off	<b>2.26</b>	2.26
Profit/(Loss) Before Tax	<b>(8.54)</b>	0.26
Provision for Tax	<b>0.14</b>	0.02
Profit/(Loss) After Tax	<b>(8.68)</b>	0.24

**OPERATIONS**

The profitability of the company continued to be under strain due to decrease in spreads, high delinquency levels and slow down in disbursements. Further, the defaults have taken their toll by reducing the available balance for circulation in business. The entire focus of the company is at present on recoveries of its lease, hire and loan instalments.

During the year the company achieved a cash profit of Rs. 17.54 lakhs, as against Rs. 53.74 lakhs in the previous year, with a net loss of Rs. 8.68 lakhs, as against a profit of Rs. 0.24 lakhs in the previous year.

The company was well placed in respect of capital adequacy ratio at 161%, compared to the RBI norm of 15%.

**DIVIDEND**

Due to losses during the year under review, the Board of Directors do not recommend declaration of any dividend for the year ended 31.03.2003.

**RESOURCES****Public Deposits**

During the year the company has neither accepted nor renewed any deposit. As on 31.03.2003, the outstanding public deposits amounted to Rs. 0.10 lakhs.

There were no overdue or unclaimed deposits during and/or at the end of the year.

**CREDIT RATING**

The Reserve Bank of India has classified the company as an "Equipment Leasing and Hire Purchase Finance Company". Therefore, no rating is required for accepting public deposits upto 1.5 times of the Net Owned Funds.

**CORPORATE GOVERNANCE**

The provisions of Clause 49 of the Listing Agreement regarding Corporate Governance, have become applicable to the Company, from year ending 31st March 2003. Your Company and its Board, have taken adequate steps towards its implementation, as it is committed to achieve the highest standards of the Corporate Governance.

After induction of two more independent directors, viz. Mr. Ashwani Tewari and Mr. P.C. Seth, the Board of Directors of your Company has re-constituted the Audit Committee, w.e.f. 26-07-03, with following composition:

Mr. Deepak Virmani

Mr. Ashwani Tewari

Mr. P.C. Seth

Further Remuneration Committee, constituted on 27th January, 2003, was again re-constituted, w.e.f. 26-07-03, with following composition:

Mr. Harsukh B. Gohel

Mr. Ashwani Tewari

Mr. P. C. Seth

For the rest of the matters concerning Corporate Governance, you are requested to refer to the separate segment on the same, forming part of the Annual Report.

**DIRECTORS**

Mr. Prem Nath Anand and Mr. Harsukh B. Gohel, the Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Your Board had inducted Mr. Ashwani Tewari and Mr. P.C. Seth as Additional Directors of the Company, in their meeting held on 26th July, 2003, in terms of Section 260 of the Companies Act, 1956, read with Article 80 of the Articles of Association of the Company. They hold their offices upto this Annual General Meeting.

The Company has received notices, along-with deposits, under section 257 of the Companies Act, 1956, from some members of the Company, proposing both these Directors, as candidates for the office of Directors. Information, regarding their brief resume, experience and their directorships/ memberships in other Companies/ Committees, are furnished in the separate segment (viz. on Corporate Governance) of the Annual Report.

As their appointment will be in the best interest of the Company, hence your Board recommended the appointment of the both these Directors.



**TRC FINANCIAL SERVICES LIMITED**

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**DE-LISTING OF SHARES**

As you are aware, equity shares of your Company are listed on the following Stock Exchanges:

The Stock Exchange, Mumbai (BSE)

The Delhi Stock Exchange Association (DSE)

The Jaipur Stock Exchange Limited

With de-mat of around 75% of shares & the extensive connectivity of the BSE, investors have access to dealings in the equity shares of the company, all over the country. The bulk of the physical trading in the equity shares of the Company takes place on BSE only. Physical Trading, if any, on the other stock exchanges is negligible and the listing fees paid to these other stock exchanges are disproportionately high as compared to the Physical trading volumes. As part of the cost reduction measures and to protect the investors funds it is proposed to voluntarily de-list the equity shares of the Company from the Stock Exchanges at Jaipur & Delhi. As shares, will continue to be listed at BSE, where maximum physical trading takes place, investors will not be adversely affected and further formalities like, exit opportunity to investors, entailing determination of exit price through book building process, need not be followed. The de-listing will take effect after all approvals, permissions and sanctions are received.

Directors of your Company, recommend to you, for according your approval, by way of a Special Resolution, for voluntary delisting, which has been covered in detail in the Notice calling AGM.

**DEMATERIALISATION OF SHARES**

The company has appointed M/s Alankit Assignments Limited as a common agency for both physical and de-mat mode as per SEBI circular no. D&CC/FITTC/Cir-15/2002 dated December 27, 2002. As on 07-07-03, 37,27,800 equity shares have been dematerialised, which is 74.54 % of the total equity capital.

**AUDITORS**

M/s. Johar & Kathpalia, Chartered Accountants retire and being eligible, offer themselves for re-appointment.

**PARTICULARS ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO**

Information to be given pursuant to Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of

Particulars) Rules, 1988 to the extent applicable, is given below:

**Foreign Exchange Earnings and Outgo:**

Foreign Exchange earnings : Nil

Foreign Exchange outgo : Nil

**PARTICULARS OF EMPLOYEES**

There is no employee covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm:

1. That in the preparation of annual accounts, the applicable accounting standards have been followed.
2. That the Directors have selected such accounting policies and have 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 loss of the company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the annual accounts on a going concern basis.

**ACKNOWLEDGMENTS**

Your Directors' place on record their deep appreciation to the Bankers, Shareholders and Customers for their co-operation and support and to the staff members for their contribution towards the performance of the company.

For and on behalf of the Board

(T.R.CHADHA)  
Chairman

Place : New Delhi  
Date : 26.07.2003

**TRC FINANCIAL SERVICES LIMITED**

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**REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

This Report on Corporate Governance forms part of the Directors Report. This section, besides being in compliance with the mandatory requirement of the listing agreement, gives an insight of the Company's Philosophy on code of governance.

The company believes in values of Transparency, Professionalism and Accountability in its dealings with its Employees, Shareholders, Government and Clients. The company is committed to achieving the high standards of Corporate Governance. The company agrees to give respect to the laws of the land and rights of all stakeholders and in turn to earn respect from all stakeholders.

**2. BOARD OF DIRECTORS**

The Board consists of eight directors, who are all non-executive directors. Out of eight directors three directors are independent directors i.e. 38%.

In the financial year 2002-2003, the Board met five times on 15.06.02, 29.07.02, 30.09.02, 23.10.02, and 27.01.03 with clearly defined agenda, circulated well in advance before each meeting.

Attendance record of the participating Directors for the year ended 31.03.2003 are as follows:

Name of Director	Attendance at the Board Meetings	Attendance at previous AGM on 30.09.2002	No. of outside Director -ship held	Number of membership in other Board Committees	Number of Chairmanship of such Committees	Category of Directors
Mr. T.R.Chadha	5	Not present	Nil	Nil	Nil	Chairman & Non Executive
Mr. Prem Nath Anand	1	Not Present	6	Nil	Nil	Non Executive
Mr. Manu Chadha	5	Present	7	7	4	Non Executive
Mr. Sumant Chadha	5	Present	2	Nil	Nil	Non Executive
Mr. Anuj Anand	Not present	Not present	5	Nil	Nil	Non Executive
Mr. H.B.Gohel	Not present	Not present	Nil	Nil	Nil	Non Executive & independent
Mr. P.C. Seth (w.e.f. 26.07.03)	Not present	Not present	Nil	Nil	Nil	Non Executive & independent
Mr. Ashwani Tewari (w.e.f. 26.07.03)	Not present	Not present	Nil	Nil	Nil	Non Executive & independent
Mr. Deepak Virmani (Alternate to Mr. P.N.Anand)	4	Present	Nil	Nil	Nil	Non Executive
Mr. Ajesh Tuli (Alternate to Mr. Anuj Anand)	5	Present	Nil	Nil	Nil	Non Executive

3. During the financial year 2002-2003, no commission was paid to any director of the company.

4. All the Non Executive Directors hold Directorships within the limit of 15 as prescribed under the Companies Act, 1956. They are also holding membership/chairmanship in committees of various companies within the limits stipulated under the Clause 49 of the Listing Agreement.

5. Mr. Ashwani Tewari and Mr. P.C. Seth were inducted as Additional Directors of the Company, by the Board of Directors of the Company in their meeting held on 26th July, 2003, in terms of Section 260 of the Companies Act, 1956, read with Article 80 of the Articles of Association of the Company. They hold their offices upto this Annual General Meeting.

The Company has also received notices, along-with deposits, under section 257 of the Companies Act, 1956, from some members of the Company, proposing both these Directors, as candidates for the office of Directors.

Following is the Information, regarding their brief resume, experience and their directorships/ memberships in other Companies/ Committees :

**Mr. P.C.Seth-** Additional Director

**Qualification-** Chartered Accountant

**Experience**

**Industry/Exposure**

He is a Member of Institute of Chartered Accountants of England and Wales (F.C.A)- Qualified in 1966. He served with East India Hotels Limited and Oberoi Hotels for eleven years, from 1972 to 1983 in important and Senior level management

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positions, such as Financial Controller, Chief Accountant, Operations Analyst and Cost Controller etc. He has specialisation in the field of **HOTEL MANAGEMENT** of 4 and 5 Star Hotels and **HOSPITALITY INDUSTRY** and was financial advisor to a group of companies in Nepal consisting of a number of Five Star Hotels.

**Ashwani Tewari**- Additional Director

**Qualification** – Chartered Accountant

**Experience**

He is a practising Chartered Accountant working as partner with a reputed Firm of Chartered Accountants, since last 8 years. He possess vast experience in the spheres of Auditing, Investigation work, Valuation of Business, Viability studies, Valuation of Current & Fixed Assets, preparation of Project Reports and handling Company Law Matters.

6. The Statutory Registers that are required to be kept under various enactments are properly maintained and continuously updated.

**7. BOARD COMMITTEES**

**Share Transfer and Investor Grievance Committee**

The Share Transfer/Investor Grievances Committee consists of Mr. Sumant Chadha as Chairman, and Mr. Deepak Virmani and Mr. Ajesh Tuli. The main function of the Share Transfer and Investor Grievance Committee is to supervise and ensure efficient transfer of shares, dematerialisation of shares and timely attendance of investors complaints. The committee meets generally every fortnight to approve the transfers/ duplicate shares issue, if any. During the year under review the Committee meets 22 times.

**Audit Committee**

The Audit Committee of the Board consists of Mr. Deepak Virmani as Chairman, and Mr. Sumant Chadha and Mr. Ajesh Tuli, all being non executive directors. Mr. Deepak Virmani, is the chairman of the Audit Committee. The Audit Committee is responsible for the areas specified by Clause 49 of the Listing Agreement and Section 292-A of the Companies Act, 1956, besides other roles as may be referred by the Board of Directors. There has been four Audit Committee meeting during the Financial year (01-04-2002 to 31-03-2003) held on 15-06-2002, 29-07-2002, 23-10-2002 and 27-01-2003. The Audit Committee has reviewed the annual financial results, half yearly results, internal audit report and internal working system of the company.

**Investment Committee**

The committee consists of Mr. Sumant Chadha as Chairman, Mr. Deepak Virmani and Mr. Ajesh Tuli all being non executive directors. The committee is responsible for decision of sale and purchase of shares of other companies held in stock. During the year under review the Committee meets four times on 15-06-2002, 01-07-2002, 21-10-2002 and 15-01-2003.

**Remuneration Committee**

The company constituted a Remuneration Committee comprising of three directors, namely Mr. H.B.Gohel, Mr. Ashwani Tewari and Mr. P.C.Seth, to approve the remuneration of directors and manager. However, no remuneration has been paid to any Directors in the year under review except sitting fees. No committee meeting was held during the year 2002-2003.

**8. REMUNERATION OF DIRECTORS FOR 2002-2003**

Name of the Director	Sitting Fee	Salaries and Perquisites	Commission	Total
Mr. T.R.Chadha	1,000	Nil	Nil	1,000
Mr. Prem Nath Anand	Nil	Nil	Nil	Nil
Mr. Manu Chadha	1,000	Nil	Nil	1,000
Mr. Sumant Chadha	1,000	Nil	Nil	1,000
Mr. Anuj Anand	Nil	Nil	Nil	Nil
Mr. H.B. Gohel	Nil	Nil	Nil	Nil
Mr. P.C. Seth (w.e.f. 26.07.03)	Nil	Nil	Nil	Nil
Mr. Ashwani Tewari (w.e.f. 26.07.03)	Nil	Nil	Nil	Nil
Mr. Deepak Virmani (Alternate to Mr. P.N. Anand)	1,000	Nil	Nil	1,000
Mr. Ajesh Tuli (Alternate to Mr. Anuj Anand)	1,000	Nil	Nil	1,000

The Company does not have any stock option scheme. No Commission was paid to any Director during the year 2002-2003.