



**VULCAN**  
**ENGINEERS LTD.**

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**42<sup>nd</sup> ANNUAL REPORT**  
**APRIL 2005 - MARCH 2006**



## **BOARD OF DIRECTORS**

Sheila M. Malaney	-	Chairperson
A. T. Vaswani	-	Vice Chairman
Admiral L. Ramdas (Retd.)		
Vikram M. Malaney		
P. M. Kumar		
Juergen Mendheim		

## **REGISTERED OFFICE**

415, Unique Industrial Estate  
Off Veer Savarkar Marg  
Prabhadevi  
Mumbai - 400 025

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## **WORKS**

Plot No. B-21  
MIDC Industrial Area  
Ahmednagar - 414 111.  
Maharashtra.

## **STATUTORY AUDITORS & TAX CONSULTANTS**

Suresh Surana & Associates  
Chartered Accountants  
Khetan Bhawan, 5th Floor,  
198, J. T. Road, Churchgate,  
Mumbai - 400 020.

## **REGISTRAR & SHARE TRANSFER AGENTS**

Intime Spectrum Registry Ltd.  
C-13, Pannalal Silk Mills Compound  
L. B. S. Marg, Bhandup (West)  
Mumbai-400 078.



## NOTICE

Notice is hereby given that the Forty Second Annual General Meeting of Vulcan Engineers Limited will be held on Thursday, 21<sup>st</sup> September, 2006 at 11.30 a.m. at 'Sunville', Executive Room, 9, Dr. Annie Besant Road, Worli, Mumbai 400 018 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2006, the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Sheila M. Malaney, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint a Director in place of Mr. Juergen Mendheim, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT Mr. Suvir Malaney be designated as the Chief Operating Officer (COO) of the Company with effect from 1<sup>st</sup> July, 2006 for a period of 3 years."

"FURTHER RESOLVED THAT, subject to the approval of the Central Government under Section 314 (1-B) of the Companies Act, 1956, Mr. Suvir Malaney's total remuneration (inclusive of perquisites) be increased from Rs.50,000/- (Rupees Fifty Thousand only) to Rs.1,00,000/- (Rupees One Lakh only) per month with effect from 1<sup>st</sup> July, 2006."

"FURTHER RESOLVED THAT in addition to the remuneration mentioned above, Mr. Suvir Malaney be provided a car with driver and telephone at residence for official use and reimbursement of expenses incurred for communication and entertainment for official purposes".

By Order of the Board

Sheila M. Malaney  
Chairperson

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Mumbai, Dated 24<sup>th</sup> July, 2006

Registered Office:  
415 Unique Industrial Estate  
Off Veer Savarkar Marg  
Prabhadevi  
Mumbai 400 025

## NOTES

1. Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member. The instrument of proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 14<sup>th</sup> September, 2006 to 21<sup>st</sup> September, 2006, both days inclusive.
3. Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 are the Registrar and Share Transfer Agents of the Company to handle share transfers, both in physical and electronic segments, and other share related matters. Shareholders are requested to correspond with the Registrar at the above address.
4. Shareholders are requested to promptly notify any change in their addresses.
5. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
6. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, all unclaimed dividends up to the financial year ended 31<sup>st</sup> March, 1994 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants up to the said period are requested to claim the amount from the Registrar of Companies, Maharashtra. Pursuant to introduction of Section 205C by The Companies (Amendment) Act, 2000, the amount of dividend unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Accordingly, dividends for the financial years ended 31<sup>st</sup> March, 1995, 31<sup>st</sup> March, 1996 and 31<sup>st</sup> March, 1997 which remained unclaimed for 7 years from the date of declaration have been transferred to IEPF. Therefore, no claim shall lie against the Company or the Investor Education and Protection Fund after transfer of the dividends to IEPF.



## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No.5

At the Annual General Meeting held on 16<sup>th</sup> September, 2005, the shareholders had approved the appointment of Mr. Suvir Malaney as the President (Marketing and Sales) of the Company with effect from 1<sup>st</sup> April, 2005 on a remuneration of Rs.50,000/- per month. The shareholders had also approved providing of a car with driver and telephone at residence to Mr. Suvir Malaney for official use and reimbursement of expenses incurred for communication and entertainment for official purposes.

While conducting the Marketing and Sales Department, Mr. Suvir Malaney has also been effectively managing the operations of the Company. The Board of Directors therefore decided at its meeting held on 24<sup>th</sup> July, 2006 to re-designate Mr. Suvir Malaney as the Chief Operating Officer (COO) of the Company for a period of 3 years and to increase his remuneration from Rs.50,000/- per month to Rs.1,00,000/- per month. The Board also decided that Mr. Suvir Malaney shall continue to be provided with a car and driver and telephone at residence for official use besides reimbursement of expenses incurred for communication and entertainment for official purposes.

Mr. Suvir Malaney is related to Mrs. Sheila Malaney and Mr. Vikram Malaney, Directors, and therefore the appointment as stated above requires the approval of the members at a General Meeting and also approval of the Central Government under section 314 (1-B) of the Companies Act, 1956.

Mr. Suvir Malaney graduated with a degree in Industrial Engineering from North Carolina State University, U.S.A. in 1988 and obtained a Masters Degree in International Business Management from the American Graduate School of International Management, Thunderbird Campus, U.S.A. in 1990.

The Board of Directors recommends Mr. Suvir Malaney's appointment as the Chief Operating Officer since his educational background and vast experience will be of immense help to the Company.

A draft of the agreement proposed to be entered with Mr. Suvir Malaney is kept at the Registered Office of the Company and is open for inspection on all working days between 10 a.m. and 1 p.m.

Mrs. Sheila Malaney and Mr. Vikram Malaney are interested in the resolution.

## ADDITIONAL INFORMATION

### Brief profiles of Directors who are retiring by rotation and are eligible for reappointment

#### Mrs. Sheila Malaney

Mrs. Sheila Malaney is a graduate in Economics (Hons.) from Delhi University and has about 40 years experience in management. Mrs. Malaney has traveled widely in the U.S.A., Germany and France. She has had wide experience in the field of Project Management, Accounts, Finance, Administration and Personnel Management.

Mrs. Sheila Malaney was a member of the Board of Directors of Vulcan Engineers Ltd. for 15 years from 1966 to 1981. She once again joined the Board on 1<sup>st</sup> March, 1993 and was appointed a Wholetime Director. She relinquished that position with effect from 18<sup>th</sup> October, 2000 and continues to be a member of the Board.

#### Mr. Juergen Mendheim

Mr. Juergen Mendheim was the Managing Director of Georg Mendheim GmbH, West Germany who were the collaborators of the Company for tunnel kilns for refractory and ceramic industries.

Mr. Mendheim has been a member of the Board since June 1990 and his knowledge and expertise have been invaluable to the Company.

By Order of the Board

Sheila M. Malaney  
Chairperson

Mumbai, Dated 24<sup>th</sup> July, 2006



## DIRECTORS' REPORT

Your Directors are pleased to present the Forty Second Annual Report of your Company together with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2006.

### FINANCIAL HIGHLIGHTS

	Rs. in Lakhs	
	Current Year	Previous Year
Sales and Income from other sources	671.80	153.67
Profit/(Loss) before taxation	(1.87)	(83.03)
Provision for taxation	(2.02)	—
Net Profit/(Loss) after taxation	(3.89)	(83.03)

### DIVIDEND

In absence of any profit for the year and owing to the accumulated losses, your Directors regret their inability to recommend any dividend.

### REVIEW OF OPERATIONS & FUTURE PROSPECTS

In the year under review, the Company strengthened its infrastructure and technical skills, the positive effects of which have started showing. Sales and other income showed a growth of over 300%. Due to high cost of inputs and overheads and writing off of bad debts, profitability is still not up to expectations. However, the Company's operations have almost reached break-even level. With the expected increase in turnover in 2006-07, the Directors expect improved results.

The Indian economy has been very buoyant in the last few years and has registered unprecedented growth. The Indian steel industry is also growing at a phenomenal pace and has provided a great opportunity to the Indian furnace industry. Your Company has been taking steps to capitalize on this opportunity and has plans with an aggressive growth strategy. The Company is also focusing on global markets which have opened up in the last few years. Besides, more and more overseas companies are now outsourcing their manufacturing, engineering, erection and commissioning services to India. With its proven track record, your Company sees a good future.

### AUDITORS' REPORT

The Auditors have made a reference in their Report about non-compliance with Accounting Standard AS2 (revised) 'Valuation of inventories', the impact of which on the profit is not ascertainable. The Board's response is given in Note 4 of Schedule 18 to the Accounts.

The Auditors have also made a reference in their Report to the preparation of Accounts on a going concern basis. The Board's response is given in Note 2 of Schedule 18 to the Accounts.

The Auditors have further stated that they are not in a position to express an opinion as to whether Sundry Debtors of Rs.11.93 lakhs are fully recoverable. The reasons for this have been explained in Note 3 of Schedule 18 to the Accounts.

### DIRECTORS

Mr. Sanjeev Malaney resigned with effect from 28<sup>th</sup> October, 2005. The Board records its appreciation of the contribution made by Mr. Sanjeev Malaney towards the progress of the Company during his tenure as a Director.

Mrs. Sheila Malaney and Mr. Juergen Mendheim retire by rotation, and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

### CORPORATE GOVERNANCE

A Report on Corporate Governance in compliance with clause 49 of the Listing Agreement with Bombay Stock Exchange Limited and the Auditors' Certificate thereon form a part of this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report on the operations of the Company is provided in a separate section and forms a part of this Report.

### PARTICULARS OF EMPLOYEES

During the year under review, there were no employees whose particulars are required to be disclosed under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.



## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required by Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure 'A'.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, the Directors confirm that –

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed with proper explanations relating to material departures, if any;
- (ii) appropriate Accounting Policies have been selected and applied consistently and the Directors have 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 as at 31<sup>st</sup> March, 2006 and of the Profit/Loss for the period from 1<sup>st</sup> April, 2005 to 31<sup>st</sup> March, 2006;
- (iii) 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) the Annual Accounts have been prepared on a going concern basis.

### AUDITORS

M/s. Suresh Surana & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and offer themselves for reappointment.

### ACKNOWLEDGEMENTS

Your Directors wish to appreciate the commitment of the management team and the exemplary performance of other employees.

For and on behalf of the Board

Sheila M. Malaney  
Chairperson

Mumbai, Dated : 24<sup>th</sup> July, 2006

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

INFORMATION PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

### FORM A

#### CONSERVATION OF ENERGY

Details of energy consumption during the year are given below :

Power and Fuel Consumption

Electricity: Since the Company's engineering and manufacturing activities at its Works have been suspended, consumption of electricity was nominal. There was no fuel consumption.

### FORM B

#### RESEARCH AND DEVELOPMENT (R&D), TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Your Company continued to absorb foreign technology for process equipments.

- (1) Specific Areas  
Development of detailed engineering/process/methods/materials and improvement in systems in the existing process.
- (2) Benefits Derived  
Cost reduction and improved utilization of machinery and energy. Technological upgradation and development.
- (3) Future plan of action  
Improvement in the existing products and processes in various areas in which the Company is engaged.
- (4) Expenditure on R&D  
No separate funds allocated.

### FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings in foreign exchange	Rs. 14,18,806
Outgo in foreign currency	Rs. 52,72,647

For and on behalf of the Board  
Sheila M. Malaney  
Chairperson

Mumbai, Dated : 24<sup>th</sup> July, 2006





## MANAGEMENT DISCUSSION & ANALYSIS

### The Industry

In the background of a buoyant economy the Indian steel industry is growing at a phenomenal pace. This has created a great opportunity for the furnace and allied industries and your Company is setting up the necessary infrastructure to capitalize on this opportunity. The Company is also focusing on the global markets which have opened up in the last few years. More and more overseas companies are now outsourcing their activities to India and your Company has already made a beginning in this market.

### Financial and Operational Performance

During the year 2005-06, Sales and Other Income showed a growth of over 300% from Rs.1.54 crores to Rs.6.50 crores. In spite of high cost of inputs and overheads, profitability also improved and the Company has almost attained break-even level in its operations.

### Segmental Information

Your Company has only one business segment viz. engineering goods & services, which is considered as the primary segment. Performance in terms of secondary segment (Geographical Segments) are shown below:

	Outside India Rs.	Within India Rs.	Total Rs.
<b>1. Segment Revenue</b>			
Sales (gross) and income from operations	1,369,864 (823,500)	68,233,025 (14,924,195)	69,602,889 (15,747,695)
<b>2. Carrying amount of assets by geographical location of assets</b>			
Segment assets (net of provisions)	2,071,684 (1,021,948)	20,586,796 (19,114,755)	22,658,480 (20,136,703)
<b>3. Additions to fixed and Intangible assets</b>			
Additions to fixed assets	— (—)	410,849 (39,365)	410,849 (39,365)

#### Notes:

- 1) Secondary segments identified are as per the requirements of Accounting Standard AS-17 'Segment Reporting' issued by the Institute of Chartered Accountants of India, taking into account the organisation structure as well as the differing risks and returns.
- 2) The segment revenue and assets include revenue and assets, which are identifiable with each segment and amount allocated to the segments as a reasonable basis.
- 3) Figures in brackets represent previous year amount.

### Outlook

Your Company strengthened its infrastructure and technical skills and has positioned itself to reap the benefits of the buoyant capital goods industry, particularly the steel industry. The results have already been evident in the form of increased enquiries and invitations from reputable companies. With its aggressive marketing strategy backed by a strong technical team, Vulcan Engineers has a great opportunity to regain the leadership position it once occupied as also position itself to tap the huge potential which the expected increase in outsourcing in the engineering sector to India will provide.

### Risks and Concerns

Prices of raw materials have been on the rise due to increased demand, both domestic and overseas. Rise in prices of steel will adversely affect profitability. Your Company continues to witness a cost push inflation. Efforts are being made to counter this through both price adjustments and elimination of operational inefficiencies, and a higher level of sales.

### Financial Risks

Financial risks could include liquidity for working capital requirements and non-fund based facilities. Currently, the Company is not exposed to any credit facilities from banks. Projects are being financed out of advances and progress payments from customers. The promoters have been extending financial support from time to time to help the Company to maintain a reasonable level of operations. With the envisaged increase in operations the Company will have to make further arrangements for banking facilities.

### Internal Controls

Your Company has developed an Internal Audit System which is commensurate with the scale of its operations. The Audit Committee of the Board of Directors meets on a regular basis to review the control systems and to take stock of the situation. Any significant findings by the internal audit function are reviewed by the Audit Committee.



The Company has also set up internal systems and control mechanisms geared to meet the organizational objectives of:

- On going risk assessment, identification of new risks and implementation of effective mitigation processes to safeguard Company's interests.
- Transparency and efficiency of operations and resource management.
- Accuracy in financial reporting by implementation of systems framework for detection of errors and frauds.
- Law and regulatory compliance.

The Management has identified certain areas of risk to which the Company is exposed and the approach to manage or mitigate such risks.

#### Technology Obsolescence Risk

The Company's ability to remain competitive depends on the ability to adapt to changing technology. The Company may have invested in certain technologies which may become obsolete in the future.

#### Risk Mitigation

The Company continually updates itself in terms of various emerging technologies and trains its resources suitably.

#### Client Risk

Excessive exposure to a few clients could impact the Company's revenues and profitability in the event of loss of those clients.

#### Risk Mitigation

The Company is developing long-term relationships with its major customers as well as enlarging its customer base thus mitigating the risk of inconsistent revenues.

#### Client Liability Risk

A Client Liability Risk arises in the advent of a failure or deficiency in services rendered to a client. Such failure or deficiency could result in a claim for damages against the Company.

#### Risk Mitigation

The Company pays adequate attention to the negotiation and documentation of contracts wherein an effort is made to limit the contractual liability for damages.

#### Human Resource Risk

A low job satisfaction can lead to inefficient work, discontent and subsequently attrition in human resources which could drain valuable knowledge and customer experience and thus have an adverse impact on revenues.

#### Risk Mitigation

The Company creates and maintains a team of talented and experienced staff. The Company imparts efficient and effective training to these staff members, blending them into productive resources by creating challenging opportunities on projects. The Company manages the careers of its employees in order to groom them to assume higher responsibilities.

#### **Contingent Liabilities**

Details of contingent liabilities are given in the Notes to Accounts (Schedule 18).

#### **Statutory Compliance**

The Compliance Officer ensures compliance of SEBI regulations and the provisions of the Listing Agreement.

#### **Human Resources**

The management recognises your Company's human resources as its greatest asset and makes a special effort to train, develop and retain its staff.

### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. These are based on certain assumptions and expectations of future events. The Company does not guarantee that these assumptions and expectations are accurate or will be realised. The actual results or performance could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.





## REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy on code of governance

Sound Corporate Governance is not only mandatory in terms of the Listing Agreement with the Stock Exchange but also critical to retain investor trust. Vulcan Engineers is committed to create a corporate culture of integrity and transparency for ethical conduct of business so as to meet its obligations towards all stakeholders.

### 2. Board of Directors

#### (a) Composition

As on 31<sup>st</sup> March, 2006, the Board of Directors comprised six members, all of whom were non-executive directors. The Company has a non-executive Chairperson and four of its members are independent directors, which is more than one-third of the total number of directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement) across all companies in which he/she is a Director. Thus the Company meets with the requirements relating to the composition of Board of Directors.

#### (b) Board Meetings and attendance

Six Board Meetings were held during the financial year, on 2<sup>nd</sup> April, 2005, 27<sup>th</sup> June, 2005, 2<sup>nd</sup> August, 2005, 16<sup>th</sup> September, 2005, 28<sup>th</sup> October, 2005 and 30<sup>th</sup> January, 2006. The gap between any two Board Meetings did not exceed four months. Notice and Agenda papers were circulated to the Directors well in advance to enable the Board to take informed decisions. All the relevant statements and information necessary for considering various matters in the light of Corporate Governance practices as prescribed in Clause 49 of the Listing Agreement were placed before the Board.

Attendance of Directors at Board Meetings during the year 2005-06 and at the last Annual General Meeting as also the number of other companies in which they hold Directorship and Membership or Chairmanship of Committees is given below :

Name	Position	Attendance		Other Boards/Committees		
		Board Meetings (2005-06)	Last AGM (16-9-2005)	Directorships <sup>1</sup>	Committees <sup>2</sup>	
					Member	Chairman
Sheila M. Malaney	Chairperson Non-executive	5	Attended	2	Nil	Nil
A.T. Vaswani	Vice-Chairman Independent Non-executive	6	Attended	4	2	3
Admiral L. Ramdas (Retd.)	Independent Non-executive	5	Attended	Nil	Nil	Nil
P.M. Kumar	Independent Non-executive	1	Did not Attend	Nil	Nil	Nil
Sanjeev M. Malaney	Non-executive	Nil	Did not Attend	Nil	Nil	Nil
Vikram M. Malaney	Non-executive	2	Attended	2	Nil	Nil
Juergen Mendheim	Independent Non-executive	Nil	Did Not Attend	Nil	Nil	Nil

1. Excludes Foreign companies, Private Limited Companies, Companies under Section 25 of the Companies Act, 1956 and Alternate Directorships.
2. Only Audit Committee and Investors Grievance Committee are reckoned for this purpose.
3. Mr. Sanjeev Malaney ceased to be a Director with effect from 28<sup>th</sup> October, 2005.

**(c) Remuneration of Directors**

The Company has no pecuniary relationship or transactions with its directors other than payment of sitting fees for attending Board and Committee Meetings. Sitting Fees paid to the directors during the year 2005-06 was Rs.96,000/- as shown below :

Name of Director	Sitting Fees paid
A.T. Vaswani	Rs. 48,000
Admiral L. Ramdas (Retd.)	Rs. 43,000
P.M. Kumar	Rs. 5,000
<b>TOTAL</b>	<b>Rs. 96,000</b>

Mrs. Sheila Malaney, Mr. Sanjeev Malaney and Mr. Vikram Malaney had waived the sitting fees for attending Board and Committee Meetings.

**3. Audit Committee****(a) Composition**

The Audit Committee comprises of three non-executive Directors, viz. Mr. A.T. Vaswani (independent), Adml. L. Ramdas (Retd.) (independent) and Mrs. Sheila Malaney. Mr. A.T. Vaswani is the Chairman of the Audit Committee.

Mr. R.G.G. Desai, General Manager (Finance & Corporate Services) acts as the Secretary to the Committee. The Statutory Auditors, Internal Auditor and Practising Company Secretary also attended the meetings as invitees.

**(b) Details of Meetings held**

Four Audit Committee meetings were held during the year. These were held on 27<sup>th</sup> June, 2005, 2<sup>nd</sup> August, 2005, 28<sup>th</sup> October, 2005 and 30<sup>th</sup> January, 2006.

Attendance at Audit Committee meetings during the financial year was as follows:

Name of Committee Member	Meetings attended
A.T. Vaswani	4
Admiral L. Ramdas (Retd.)	4
Sheila Malaney	3

Mr. A.T. Vaswani, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 16<sup>th</sup> September, 2005.

**(c) Terms of Reference**

The terms of reference of the Audit Committee are in conformity with the requirements of Section 292A of the Companies Act, 1956 and were revised in view of the amended Clause 49 of the Listing Agreement.

**4. Remuneration Committee**

No member of the Board is paid any remuneration except sitting fees for attending Board and Committee meetings. The Board has therefore not constituted a Remuneration Committee.

**5. Investors Grievance & Share Transfer Committee****(a) Composition**

The Investors Grievance & Share Transfer Committee comprises of three members, viz. Mr. A.T. Vaswani, Admiral L. Ramdas (Retd.) and Mrs. Sheila M. Malaney. Mr. A.T. Vaswani is the Chairman of the Committee.

Mr. R.G.G. Desai, General Manager (Finance & Corporate Services), is the Compliance Officer.