

BOARD OF DIRECTORS :

Shri. S. Sridhar (Chairman & Managing Director)
 Shri. R. Parthasarathy (Vice Chairman & Managing Director)
 Shri. S. Santhanam
 Shri. Cyril S. Shroff
 Shri. Y. Ramachandran (Nominee of LIC)
 Shri. R. Sundararajan
 Dr. S. Rama Iyer
 Shri. Dilip J. Thakkar
 Shri. U. Sundararajan

COMPANY SECRETARY :

Shri. S. Madhavan

BANKERS :

Andhra Bank
 Bank of Baroda
 Bank of India
 Indian Bank
 Ing Vysya Bank Ltd.
 State Bank of India
 UTI Bank Ltd.

AUDITORS :

Contractor, Nayak & Kishnadwala
 Chartered Accountants
 1B, 1st Floor, Pushpam,
 K.D. Road, Vile Parle,
 Mumbai - 400 056.

REGISTRAR & SHARE TRANSFER AGENTS

Intime Spectrum Registry Limited
 C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup (W),
 Mumbai - 400 078.
 Tel. : 25923837
 Fax : 25672693
 E-mail: isrl@intimespectrum.com

REGISTERED OFFICE AND FIXED DEPOSITS DEPARTMENT :

Baldota Bhavan,
 117, Maharshi Karve Road,
 Mumbai - 400 020.
 Tel. : 2203 0445/2208 7790
 Fax : 2205 1145
 E-mail: ultrapl@vsnl.com

ADMINISTRATIVE OFFICE :

Thirumalai House, Road No.29,
 Near Sion Hill Fort, Sion (E), Mumbai - 400 022.
 Tel. : 2401 7841, 7834, 7853, 7861
 Fax : 2401 1699
 E-mail: thirumalai@thiruchem.com

FACTORY :

Ranipet, North Arcot District, Tamilnadu,
 Tel. : 244441/244442/244045
 Fax : 04172-244308
 E-mail: mail@thirumalaichemicals.com
 Web : http://www.thirumalaichemicals.com

Members are requested to bring their copy of Annual Report with them to the Annual General Meeting

**30TH ANNUAL
GENERAL MEETING****DATE :**

Monday, August 4, 2003
 at 4.00 p.m.

VENUE :

Mysore Association Auditorium,
 Bhaudaji Road, Matunga,
 Mumbai - 400 019.

DIVIDEND :

50%

DIVIDEND ELIGIBILITY :

For : Regd. Member
 Physical Shares : As on 4th August, 2003
 Demat Shares : As per the list of beneficial ownership furnished by the Depositories.

BOOK CLOSURE :

July 22, 2003 to August 4, 2003

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DIRECTORS' REPORT, MANAGEMENT DISCUSSIONS & ANALYSIS

To

The Members,

Thirumalai Chemicals Ltd.

Your Directors present their THIRTIETH ANNUAL REPORT AND AUDITED STATEMENT OF ACCOUNTS of the Company for the year ended March 31, 2003.

	Rs. (in Lakhs)	
	Year ended 31/3/2003	Year ended 31/3/2002
FINANCIAL RESULTS		
Sales	27,542	25,872
Other Income	167	454
	27,709	26,326
Gross Profit before Interest and Finance Charges and Depreciation	3,256	3,273
Interest and Finance charges	997	1,532
Profit before Depreciation and Tax	2,259	1,741
Depreciation	900	844
Profit before Tax	1,359	897
Provision for Current Tax	107	68
Profit after Current Tax	1,252	829
Provision for Deferred Tax	(126)	220
Prior Year Adjustment	69	12
Net Profit after tax & adjustments	1,309	597
Balance in Profit & Loss Account.	402	237
	1,711	834
Profit available for appropriation.		
APPROPRIATIONS		
Dividend.	498	299
Tax on Dividend	64	—
Debenture Redemption Reserve	63	63
General Reserve	140	70
Balance carried forward	947	402
	1,711	834

On a Sales turnover of Rs.27,542 Lakhs (Rs.25,872 lakhs) including Export earning on FOB basis of Rs 3,916 Lakhs (Rs. 2,855 Lakhs) and Other Income of Rs. 167 Lakhs (Rs.454 Lakhs), the Gross Profit of the Company amounted to Rs.3,256 Lakhs (Rs.3,273 Lakhs). After providing for Interest and Finance charges, Depreciation, Current and Deferred taxation and some adjustments, the Net Profit amounted to Rs.1,309 Lakhs compared to Rs.597 lakhs in the previous year.

DIVIDEND :

Your Directors are pleased to recommend payment of Dividend @ 50 %. This dividend will be tax-free in the hands of the shareholders.

The total cash outflow on account of this dividend payment including distribution tax will be Rs. 562 Lakhs. The dividend after

approval by the shareholders at the forthcoming AGM will be paid to the eligible shareholders around 8th August, 2003 to 16th August, 2003.

MANAGEMENT'S DISCUSSIONS AND ANALYSIS :

Mission and Business Strategy :

We are putting into place key capabilities that should, in the next few years, make us the leader in the Asian/global market from the present position of a dominant player in the domestic market in our line of business. Our business model envisages building a strong international business around our core strengths in technology, marketing and manufacturing.

The domestic market is of significance since it represents the base on which long term global business model can be built. As India represents a sixth of humanity, and as current buying power is low, but expected to increase, opportunities for growth will increase.

We will look selectively into M&A opportunities as they arise. Any M&A will be done only if there is a clear value proposition that is sustainable over the longer term.

We believe that we have built a strong foundation on which we can base a sustainable long-term growth.

Industry Developments :

Despite having huge capacities for PAN, which is the Company's main product, due to lack of sustained demand at remunerative prices, the Company could not operate the PAN plant fully. Imposition of Anti Dumping duty on Exports of PAN from India to China and Thailand, and possible levy by Indonesia, are hampering Company's export endeavours to these markets, particularly China, which has been a big importer of PAN.

To reduce dependence on PAN, which is prone to cyclical fluctuations, your Company had, as a strategic move, diversified into more value added products, which has proved to be rewarding as well as promising. Your Company's efforts to grow the markets for its other Products like Food Acids, Fumaric Acid, etc is yielding good results.

Financial and Operating performance :

The overall Financial performance during the year 2002-2003 was satisfactory. During the year 2002-2003, the Company could post better results largely because of the intense cost cutting measures undertaken in operations as well as the attempt to reduce interest costs drastically. Interest costs were lower by about 35%. Other income is lower mainly due to sale of assets which yielded about Rs.1.60 Crores in the previous year.

During the year the Company was awarded ICMA Award for Certificate of Excellence in Energy Conservation and Management for 2001-2002.

Research and Development :

New products are in various stages of development and testing in our Research and Development initiative.

Outlook :

Due to maintenance work at Plant., the Company had to take a planned shutdown for maintenance around beginning of the current year. The Company had built up adequate inventories to cater to customers needs. However, due to lacklustre markets and low margins, the Company had to take an extended shutdown. This regularly happens in the Company's line of business and your Company is hopeful that a pickup is round the corner.

Your Company expects that its attempts to reduce operating and interest costs will yield good results. Your Company has grown

Thirumalai Chemicals Ltd.

into a large Company with Global sized plants manufacturing different products. These provide optimism for the Company to grow its revenues and market shares. Overall, your Company remains steadfast in its resolve to grow its leadership by building on its strengths for competitive advantage.

EXPORTS :

The Company's exports during the year calculated on FOB basis amounted to Rs 3916 Lakhs (Rs.2855 Lakhs). Your Company's increased focus on exports is expected to lead to higher exports year after year.

MALAYSIAN JOINT VENTURE :

The performance of TCL Industries Malaysia SDN BHD, the Malaysian Joint Venture Company, which began well, could not be sustained due to several extraneous factors. Despite this, the Joint Venture Company has performed reasonably well during previous year and hopefully, this year, should make cash profits barring unforeseen circumstances. Your Company hopes to reap the reward on its investments soon.

DIRECTORS RESPONSIBILITY STATEMENT :

As required by the Companies Act, 1956, the Board of Directors confirm that :

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 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 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.
- the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- the directors have prepared the annual accounts on a going concern basis.

FINANCE :

All taxes and statutory dues are being paid on time. Payment of interest and instalments to the Financial Institutions and Banks are being made as per schedule. The Company is also very regular in meeting its commitments to its depositors. Deposits aggregating Rs.10.93 lakhs due for repayment on or before March 31, 2003 were not claimed by the depositors as on that date.

STATEMENT PURSUANT TO LISTING AGREEMENTS :

The Company's shares are listed with The National Stock Exchange, The Mumbai Stock Exchange and Madras Stock Exchanges. Your Company has paid the respective annual listing fees up-to-date and there are no arrears.

REPORT ON CORPORATE GOVERNANCE :

A Report on Corporate governance is annexed herewith. Auditors' Report on the same is also annexed.

PERSONNEL :

Industrial relations continue to remain cordial. The Directors place on record their appreciation of the devoted services rendered by the employees.

DIRECTORS :

Mr.R.Sundararajan and Mr. S.Santhanam retire by rotation at the Annual General Meeting and are eligible for reappointment.

Mr.Pradeep Rathi resigned as Director of the Company with effect from July, 17,2002. The Directors placed on record their appreciation of the valuable services rendered by Mr.Rathi during his tenure.

Mr.U.Sundararajan joined the Company's Board as Director from 28th October, 2002. The tenor of Mr.U.Sundararajan expires at the end of the ensuing AGM and the Company has received notice from a shareholder proposing his appointment.

AUDITORS :

M/s.Contractor, Nayak and Kishnadwala, Chartered Accountants, The Statutory Auditors of the Company hold office until the conclusion of the ensuing AGM. The notice convening the AGM is self explanatory. Members are requested to re-appoint M/s. Contractor, Nayak and Kishnadwala as Auditors for the Current Year.

COST AUDIT :

Pursuant to Section 233B of the Companies Act, 1956 M/s. V. Kalyanaraman, Cost Accountant has been engaged to conduct Audit of Cost Accounts relating to "Chemicals".

PARTICULARS OF EMPLOYEES :

The details of employees of the Company in receipt of remuneration in excess of the limits under Section 217(2A) of the Companies Act, 1956 is given in Annexure 1.

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

The particulars required to be included in terms of Section 217 (1)(e) of the Companies Act, 1956 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure- 2.

ACKNOWLEDGEMENT :

The Board acknowledges the support given by the Bankers, EXIM BANK, LIC, IDBI, its employees at all levels and the shareholders and depositors for their continued support.

By Order of the Board
For THIRUMALAI CHEMICALS LIMITED

Mumbai
June 9, 2003.

S. SRIDHAR
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE 1 TO DIRECTORS' REPORT

Particulars of Employees pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies [Particulars of Employees] Rules 1975 as amended by the Companies Amendment Act, 1988 and forming part of the Directors Report for the year ended 31st March, 2003.

Sr. No.	Name of the Employee	Age [Years]	Qualification and Experience	Designation	Remuneration [Rs.]	Date of Commencement	Last Employment held
1.	Mr. R. Parthasarathy	52	B.Tech., M.S. Wisconsin - U.S.A. 29 Years.	Vice Chairman & Mg. Director	2,567,780/-	03/04/1974	—
2.	Mr. S. Sridhar	52	B.Sc., ACA 27 Years	Chairman & Mg. Director	2,569,589/-	01/04/1979	Chief Accountant-Ultramarine & Pigments Ltd.

NOTES :

- Remuneration includes Company's contribution to Provident Fund, Superannuation Fund, Medical Benefits and Leave Travel Allowance.
- Nature of employment is contractual.
- Mr. S. Sridhar is a relative of Mr. S. Santhanam, Director of the Company.

ANNEXURE - 2 TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1) (E) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTOR'S REPORT.

I) CONSERVATION OF ENERGY :

- 1) Energy saving Systems are incorporated wherever necessary. Energy savings are attempted continuously.
- 2) Existing energy saving systems are properly utilized and further devices are added when necessary.

FUEL CONSUMPTION

1 ELECTRICITY

a) PURCHASED UNITS	KWHR	847,470	1,680,705
TOTAL AMOUNT PAID	RS.	6,988,910	9,829,651
RATE PER UNIT	RS.	8.25	5.85
b) OWN GENERATION	KWHR	2,655,467	4,458,127
UNIT/LITRE OF DIESEL OIL	KWHR	2.89	2.97
COST PER UNIT	RS.	6.47	5.70

2 COAL: Not consumed in the process

3 FURNACE OIL

Quantity	KL	7272.03	8,135.91
Total amount	Rs.	76,344,518	64,374,545
Average rate	Rs.	10,498.38	7,912.39

4 OTHER INTERNAL GENERATIONS

5 CONSUMPTION PER TONNE OF PRODUCTION

a) Phthalic Anhydride			
Electricity	KWHR	4.31	9.48
Furnace oil	LTR	37.02	45.87
Others (Diesel)	LTR	4.67	8.47
b) Maleic Anhydride			
Electricity	KWHR	13.19	48.05
Furnace oil	LTR	113.18	232.60
Others (Diesel)	LTR	14.28	42.94
c) Food acids			
Electricity	KWHR	93.46	169.63
Furnace oil	LTR	802	821.13
Others (Diesel)	LTR	101.2	151.57

II) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION.

RESEARCH AND DEVELOPMENT

1. Specific areas in which R & D activities carried out by the company.

- a) Improvement in the quality and shelf life of special anhydrides.
- b) Development of fine chemicals using Biotechnology.
- c) Development of new value added products from Maleic Anhydride
- d) Reduction in the cost of production on food acids.
- e) Improvement in effluent treatment methods and effluent reduction.

2. Benefits derived as a result of above effects.

- a) Improvement of yield in the plants.
- b) Production of Special Anhydrides and downstream products.
- c) Improvement in quality of products.

3. Future plan of action

- a) Development of new fine chemicals using Biotechnology.
- b) Process improvement to reduce effluent.
- c) Reduce energy cost per unit of production.

4. Capital expenditure on R & D (Rs.)

- a) Capital Rs. 2.84 Lakhs (Rs. 7.75 Lakhs)
- b) Recurring Rs. 40.02 Lakhs (Rs. 31.11 Lakhs)
- c) Total Rs. 42.86 Lakhs (Rs. 38.86 Lakhs)
- d) Total R& D Expenditure as a % age of Sales 0.16 % (0.15 %)

5. Technology Absorption, Adaptation and Innovation :

- a) Efforts in brief towards absorption, adaptation and innovation.

The Technologies required for better products applications and better quality have been adapted and are being developed / improved indigenously.

- b) Benefits derived as a result of the above efforts.

Improvement in the quality of the products, increased productivity and reduced cost of production in all products.

- c) Particulars of Technology imported during the last 5 years. None.

III) Foreign Exchange Earning and Outgo.

Export earnings - Rs.3916 Lakhs (Rs. 2855 Lakhs)



CORPORATE GOVERNANCE REPORT

Your Company has complied in all material respects with the features of Corporate Governance Code as per Clause 49 of the Listing agreement with the Stock Exchanges.

A report on the implementation of the Corporate Governance Code of the listing agreement by the Company is furnished below.

CORPORATE PHILOSOPHY

Good corporate governance leads to long term shareholder value and enhances interest of other stakeholders. Fairness, transparency, accountability and responsibility are the essential elements of Corporate governance to which your Company continues to remain committed.

BOARD OF DIRECTORS

a) Composition.

- 1) The Board of Directors of your Company comprise of an Executive Chairman and Managing Director and Vice-Chairman and Managing Director i.e. 2 Executive Directors and 7 Non Executive Directors.
- 2) Mr.Y.Ramachandran, Director is nominated by LIC.
- 3) All Directors other than Mr.S.Sridhar, Mr.R.Parthasarathy, Mr.S.Santhanam and Mr.R.Sundararajan are independent Directors.

b) Board Meetings.

5 meetings of the Board of Directors were held on the following dates:

6/6/2002, 29/7/2002, 5/8/2002, 28/10/2002 and 27/1/2003. All operational and statutorily required information were placed before the Board. All significant events were also reported to the Board.

The Company Secretary, in consultation with the Chairman & Managing Director, drafts the agenda of the meeting. Agenda papers along with relevant details are circulated to all Directors, well in advance of the date of the Board meeting.

The Attendance of the Directors at the Board Meetings held during the year and at the last AGM are as follows.

Name of Directors	Attendance at Board Meetings	Last AGM	No.of Directorships Of other Companies.	No.of memberships of Board sub committees.
Mr.S.Sridhar	5	Yes	3	3
Mr.R.Parthasarathy	4	Yes	1	—
Mr.S.Santhanam	5	Yes	3	1
Mr.Cyril S Shroff	Nil	No	6	2
Mr.R.Sundararajan	3	Yes	1	—
Mr.Pradeep Rathi@	Nil	NA	7	1
Mr.Dilip J Thakkar	5	Yes	21	10*
Mr.Y.Ramachandran	4	Yes	—	1
Dr.S.Rama Iyer	5	Yes	5	—
Mr.U.Sundararajan#	2	NA	—	—

@ resigned as Director on 17/7/2002.

* of which, 5 as Chairman.

appointed as Director on 28/10/2002.

c) Remuneration of Directors.

The remuneration paid to the Managing Directors is within the ceiling as per the resolution approved by the shareholders.

Details of remuneration paid to the Managing Directors during the year ended 31/3/2003 is :

Name	Position	Salary Rs.	Commission Rs.	Contribution to PF and other Funds (Rs.)	Perquisites. Rs.
S.Sridhar	Chairman & Mg.Director	7,32,000	13,97,758	1,97,640	2,42,191
R.Parthasarathy	ViceChairman & Mg.Director	7,32,000	13,97,758	1,97,640	2,40,382

The sitting fees paid to the Non-executive Directors is as under :

Name	Sitting Fees (Rs.)
Mr. S. Santhanam	25,000
Mr. R. Sundararajan	6,000
Mr. Dilip J Thakkar	30,000
Mr. Y. Ramachandran	23,000
Dr. S. Rama Iyer	10,000
Mr. U. Sundararajan	4,000

BOARD COMMITTEES :**a) Audit Committee.**

The Audit Committee comprises of the following members:

Mr. Dilip J Thakkar – Chairman

Mr. Y. Ramachandran

Mr. S. Santhanam.

Mr. Thakkar is an eminent Chartered Accountant, Mr. Y Ramachandran is the nominee of LIC and Mr. S. Santhanam is a non-Executive Director.

Three meetings of the Audit Committee of the Board of Directors were held during the year 2002-2003 on 30/5/2002, 24/10/2002 and 22/1/2003.

The Audit Committee meetings were attended by all the Audit Committee members and the concerned partner of the Statutory Auditors attended. The Company Secretary and The Finance Manager also attend the Audit committee meetings.

The Audit Committee discussed the Company's accounts before it was placed before the Board of Directors and also had overview of the Company's financial reporting process. Also reviewed were the half yearly results.

b) Share Transfer/Investors Grievance Committee.

The Share Transfer / Investors Grievance Committee constitutes of the following members :

1] Mr. S. Sridhar

2] Mr. S. Santhanam

3] Mr. Dilip J Thakkar

One meeting of the Share Transfer/Investors Grievance Committee was held during the year 2002-2003 on 28/3/2003. All the members attended the meeting. Mr.S.Madhavan, the Company Secretary is the Compliance Officer. The Committee meets as often as is necessary depending on the Share transfer applications received. There has been no complaints from any investor which has not been redressed.

GENERAL BODY MEETINGS.

The Thirtieth Annual General Meeting of the Company for the financial year 2002- 2003 would be held on Monday, August 4, 2003 at 4.00 p.m. at The Mysore Association Auditorium, Bhaudaji Road, Matunga , Mumbai- 400 019.

The last three Annual General Meetings were held as under :

Financial Year	Date	Time	Location.
2001-2002	5/8 /2002	4.00 p.m	Mysore Association Auditorium Bhaudaji Road, Matunga- (C.Rly) Mumbai.
2000-2001	17/9/2001	4.00 p.m	—Do—
1999-2000	24/7/2000	4.00 p.m	—Do—

During these meetings, all resolutions were passed unanimously/by majority.

DISCLOSURES.

The Company 's internal Audit is done by a firm of Chartered Accountants. The reports submitted by the Internal Auditors on the operations and financial transactions and the Action Taken Report on the same are placed before the Board of Directors / Audit Committee also, apart from the Statutory Auditors and the senior management of the Company.

For every quarter, the President of the Factory at Ranipet and the Dy. Manager (Accounts), make report of Statutory compliances which are placed before the Audit Committee, which is a detailed report. At the Board meeting following the Audit Committee meeting , the Company Secretary makes a report confirming statutory compliances for the said quarter. Also, at such meetings, the Managing Directors also confirm to the Board of all Statutory Compliances.

There were no material significant transactions with the Directors or the management or their subsidiaries or relatives that have any potential conflict with the interest of the Company.

There were no case of non-compliance by the Company, nor any cases of penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.

The Company has adopted "The Code of conduct for prevention of insider Trading" which contains policies prohibiting insider trading.

Thirumalai Chemicals Ltd.

MEANS OF COMMUNICATION :

The Company has promptly reported all material information including quarterly results and press releases to the Stock Exchanges where the Company's securities are listed. The quarterly results were communicated to the shareholders by way of advertisement in a National daily and in a vernacular language newspaper.

General Shareholders Information :

- 1) Date, time and venue of 30th AGM : Monday, 4th August 2003 at 4.00 p.m. at Mysore Association Auditorium, Bhaudaji Road, Matunga, Mumbai - 400 019.
- 2) Date of Book Closure : Tuesday, July 22, 2003 to Monday, August 4, 2003.
- 3) Listing on Stock Exchanges : Mumbai (BSE), National Stock Exchange (NSE) and Madras Stock Exchange.
- 4) Listing fees : Paid as per the listing agreement.
- 5) ISIN No: : INE 338A01016.
- 6) BSE Stock code : 500412
NSE Stock code : TIRUMALCHM
- 7) Registered Office / Fixed Deposit Department/Address. For correspondence : Baldota Bhavan, 117, M. Karve Road, Mumbai-400 020.
Tel: +91-22- 22088790/ 22030445
Fax: +91-22-22051145.
E-mail- anand@thiruchem.com
vasantha@thiruchem.com
- 8) Registrar & Share Transfer Agent : Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (W),
Mumbai-400 078.
Tel: +91-22-25923837
Fax: +91-22-25672693.
E-mail- isrl@intimespectrum.com
- 9) Compliance Officer : Mr.S.Madhavan, Company Secretary.
Thirumalai Chemicals Limited
Thirumalai House, Road No.29,
Sion (East), Mumbai- 400 022.
Tel: +91-22-24017841/61/53.
Fax: +91-22-24011699.
E-mail- madhavan@thiruchem.com
- 10) Share Transfer system : The Company's shares are traded in the stock Exchanges compulsorily in demat mode. Shares sent for physical transfer or dematerialisation requests are registered promptly within 15 days from the date of receipt of completed and validly executed documents.
- 11) Financial Calender : Annual Results - early June, 2003.
Mailing of Annual Reports - end June, 2003.
June quarter results - end July 2003
September quarter results - end October 2003.
December quarter results - end January 2004.
- 12) Dividend payment dates : 8th August 2003 to 16th August 2003.
- 13) Dematerialisation of shares : As on 31/3/2003, 86.77 % of the Company's shares representing 86,41,875 shares were held in the dematerialized form.
- 14) Plant Location : Ranipet, North Arcot District, Tamil Nadu.
Tel:+04172-244441. Fax:+04172-244308.
E-Mail: mail@thirumalaichemicals.com

15) Categories of Shareholders

(as on 31/3/2003)

Category	No. of shares	% of shareholding.
Directors, Relatives, Promoter		
Group Companies	47,85,723	48.05
Financial Institutions/Banks	8,83,879	8.87
NRI	23,644	0.24
Companies/Bodies Corporate	3,68,938	3.70
General Public	38,84,928	39.01
Clearing member	12,700	0.13

16) Distribution of Shareholding as 31/3/2003

No. of Shares	No. of Shareholders	% of Shareholders	Shareholding	% of Shareholding.
Upto 500	19948	94.12	2141204	21.49
501-1000	686	3.23	514074	5.16
1001-2000	305	1.44	447086	4.49
2001-5000	141	0.67	437570	4.40
over 5000.	113	0.54	6419878	64.46
	21193	100	9959812	100

17) Stock market price data for the year 2002-2003.

Month	BSE.		No. of shares	NSE		No. of shares.
	High (Rs)	Low		High (Rs)	Low	
April, 2002	61.50	38.55	114614	60.65	39.00	110056
May, 2002	59.00	41.50	37556	59.90	40.30	56595
June, 2002	57.00	44.65	91245	55.60	45.85	123758
July, 2002	73.90	44.10	413948	80.00	42.00	594778
August, 2002	55.00	47.30	43563	55.05	47.00	57876
September, 2002	56.20	45.05	54473	55.55	47.25	35299
October, 2002	47.95	41.60	25432	47.95	42.00	17130
November, 2002	50.10	44.00	37086	50.00	45.20	22990
December, 2002	54.90	47.95	46690	54.50	47.15	46149
January, 2003	59.35	46.25	93893	59.25	46.40	105954
February, 2003	48.45	40.00	23864	47.70	41.10	25049
March, 2003	41.90	34.10	32923	41.30	35.10	62006

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

Thirumalai Chemicals Limited.

We have examined the compliance of conditions of corporate governance by Thirumalai Chemicals Limited for the year ended on 31st March, 2003 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders and Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
CONTRACTOR, NAYAK & KISHNADWALA
Chartered Accountants

H. V. KISHNADWALA
PARTNER

Place : Chennai

Date : 9th June, 2003