

# 20th **Annual Report** 2004-2005

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**UTTAM GALVA STEELS LIMITED**



**Uttam Galva Steels Limited****BOARD OF DIRECTORS**

SHRI RAJINDER MIGLANI	:	CHAIRMAN & MANAGING DIRECTOR
SHRI PRAVEEN MIGLANI	:	DIRECTOR
SHRI P. G. KAKODKAR	:	DIRECTOR
SHRI S. T. PARIKH	:	DIRECTOR
DR. N. S. DATAR	:	DIRECTOR
SHRI S. R. KRISHNASWAMY	:	DIRECTOR (NOMINEE – LIC)
SHRI D. R. JAWAHAR	:	DIRECTOR (NOMINEE – IDBI)
SMT. SHAILA SARPOTDAR	:	DIRECTOR (NOMINEE – ICICI BANK LTD)
SHRI ANUJ MIGLANI	:	DY. MANAGING DIRECTOR & COO
SHRI ANKIT MIGLANI	:	ADDITIONAL DIRECTOR

**REGISTERED & CORPORATE OFFICE**

UTTAM HOUSE,  
69, P. D'MELLO ROAD,  
MUMBAI : 400 009

**BRANCHES**

39, OKHLA INDUSTRIAL ESTATE,  
NEW DELHI : 110 020

SURVEY NO. 338, HISSA NO. A/1,  
CITY SURVEY NO. 2240,  
VILLAGE BHOSARI,  
TALUKA HAVELI,  
PUNE

14-A, INDUSTRIAL AREA,  
BULANDSHAHR ROAD,  
GHAZIABAD : 201 001

KAILASH BHAVAN,  
2ND FLOOR, SRCB ROAD,  
GUWAHATI MUNICIPAL CORP.,  
GUWAHATI : 781 001.

**WORKS**

KHOPOLI – PEN ROAD,  
VILLAGE – DONVAT,  
TALUKA – KHALAPUR,  
DIST. – RAIGAD  
MAHARASHTRA

KHOPOLI – PALI ROAD,  
VILLAGE – DAHIVALI,  
TALUKA – KHALAPUR,  
DIST. – RAIGAD  
MAHARASHTRA

**COMPANY SECRETARY**

SHRI RAJENDRA KUMAR HARAN

**AUDITOR**

SHRI YOGESH B MEHTA  
CHARTERED ACCOUNTANT  
401/402, NAND PREM SHOPPING CENTRE,  
JUNCTION OF NEHRU ROAD & M G ROAD,  
VILE PARLE (E),  
MUMBAI : 400 057

**BANKERS**

STATE BANK OF INDIA  
CANARA BANK  
ICICI BANK LTD.  
PUNJAB NATIONAL BANK  
PUNJAB & MAHARASHTRA CO-OP. BANK LTD.

**REGISTRAR & SHARE TRANSFER AGENT**

MONDKAR COMPUTERS PVT. LTD.  
(UNIT : UGSL)  
21, SHAKIL NIWAS,  
MAHAKALI CAVES ROAD,  
ANDHERI (EAST),  
MUMBAI : 400 093

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## **VISION, MISSION AND VALUES OF UTTAM GALVA STEELS LIMITED**

### **VISION**

Become the world's favoured  
flat steel products brand

### **MISSION**

To consistently provide quality steel  
products ensuring customer delight

### **VALUES**

- |                       |   |
|-----------------------|---|
| <b>Integrity</b>      | : Honouring all commitments                           |
| <b>Value for Time</b> | : Business at supersonic speed                        |
| <b>Ethics</b>         | : Ethical business practices with<br>all stakeholders |

## Uttam Galva Steels Limited

## 5 YEARS' HIGHLIGHTS

	2004-05	2003-04	2002-03	2001-02	2000-01
<b>SALES &amp; EARNINGS</b>					
(Rs in Millions)					
LOCAL SALES	7139	4784	3254	3532	4190
EXPORT SALES	14422	7421	5279	2392	2474
<b>GROSS SALES</b>	<b>21561</b>	<b>12205</b>	<b>8533</b>	<b>5924</b>	<b>6664</b>
OTHER INCOME	54	40	23	7	9
TOTAL INCOME	21615	12246	8557	5931	6674
LESS : CENTRAL EXCISE DUTY	644	580	448	456	551
LESS : SELLING & DISTRIBUTION EXPENSES	1306	630	526	373	336
SALES AND OTHER INCOME ( EFFECTIVE )	19665	11035	7583	5102	5787
MATERIAL COST ( INCL. STOCK VARIATION)	16507	8738	5721	4041	4460
OTHER EXPENDITURE	1164	1001	809	655	700
<b>PBIDT</b>	<b>1994</b>	<b>1296</b>	<b>1052</b>	<b>406</b>	<b>627</b>
INTEREST & FINANCIAL CHARGES	645	738	672	341	744
<b>PROFIT BEFORE DEPRECIATION &amp; TAX (PBDT)</b>	<b>1349</b>	<b>558</b>	<b>381</b>	<b>65</b>	<b>(117)</b>
DEPRECIATION	322	304	278	274	270
PROFIT BEFORE TAX	1027	254	103	(209)	(386)
<b>PROFIT AFTER TAX</b>	<b>947</b>	<b>239</b>	<b>103</b>	<b>(209)</b>	<b>(386)</b>
CASH ACCRUALS	1269	543	381	65	(117)

**ASSETS & LIABILITIES**

FIXED ASSETS: GROSS	8729	6694	6117	5706	5623
NET	6335	4622	4348	4215	4404
TOTAL ASSETS: NET	7691	5533	5000	4701	4953

**REPRESENTED BY**

NET WORTH	2639	1533	1300	1116	1297
SHARE CAPITAL - EQUITY	800	695	670	670	532
- PREFERENCE	54	54	54	54	-
SHARE / WARRANT APPLICATION MONEY	7	1	63	-	356
RESERVES	1779	783	634	634	476
BORROWINGS	5052	4000	3701	3586	3656
LONG TERM - SECURED	3882	3012	2978	2891	2927
LONG TERM - UNSECURED	66	224	227	241	252
SHORT TERM	1104	763	495	454	478
TOTAL FUNDS	7691	5533	5000	4701	4953

**RATIOS**

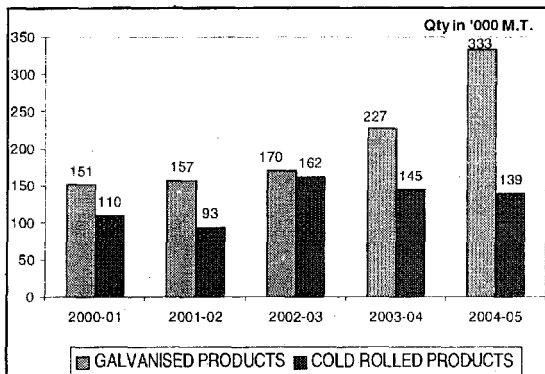
EARNING PER EQUITY SHARE RS.	12.57	3.43	1.44	(3.12)	(7.26)
BOOK VALUE PER EQUITY SHARE RS.	32.92	22.04	18.45	16.64	17.68
DEBT: EQUITY RATIO @	1.47:1	1.96:1	2.29:1	2.59: 1	2.26: 1

@ ON SECURED LONG TERM BORROWINGS

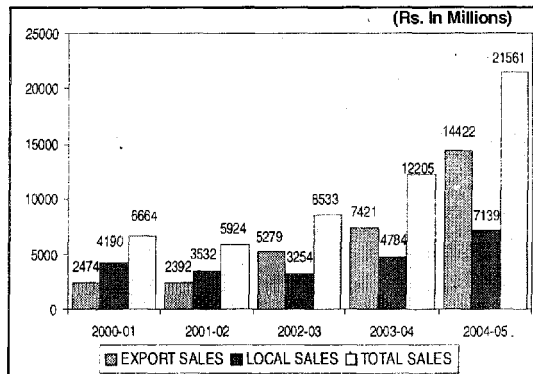


## 5 YEARS' HIGHLIGHTS

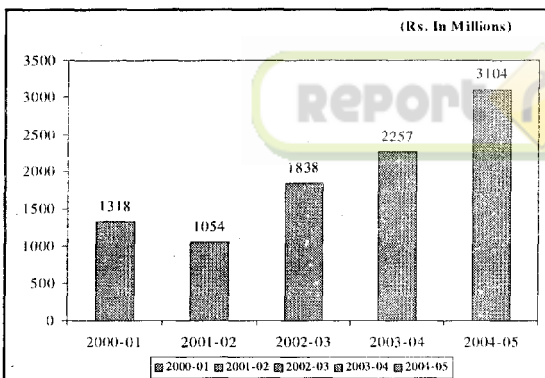
### SALEABLE PRODUCTION



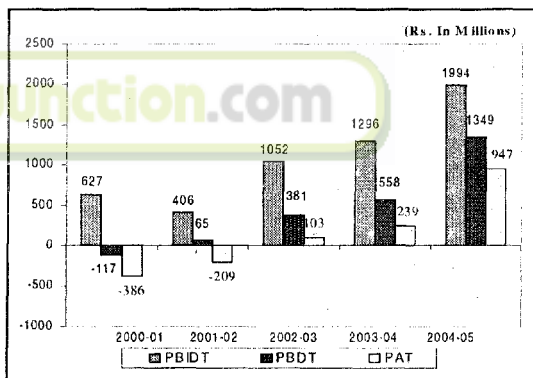
### TOTAL SALES



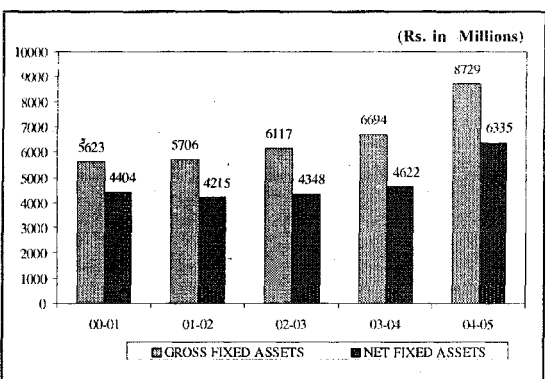
### VALUE ADDITION



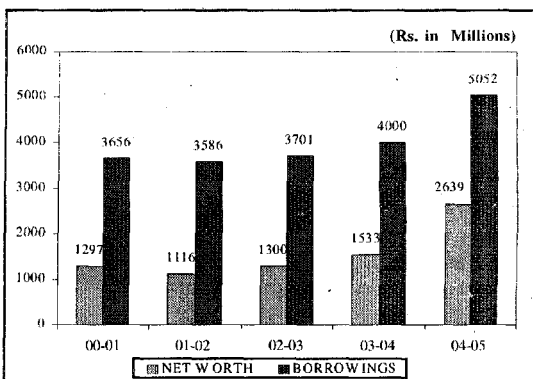
### PBIDT/PBDT/PROFIT BEFORE TAX



### FIXED ASSETS



### NETWORTH AND BORROWINGS



## Uttam Galva Steels Limited

### NOTICE

**NOTICE** is hereby given that the 20<sup>th</sup> ANNUAL GENERAL MEETING of the Members of the Company will be held at 10.30 a.m. on Saturday, the 24<sup>th</sup> September, 2005 at M C Ghia Hall, 18/20, K. Dubhash Marg, Mumbai 400 001 to transact the following business:

#### ORDINARY BUSINESS :

1. To adopt the Profit & Loss Account for the Financial Year ended 31<sup>st</sup> March, 2005 and the Balance Sheet as at that date and Reports of the Board of Directors and the Auditor thereon.
2. To appoint a Director in place of Shri P.G. Kakodkar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri N.S. Datar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint Shri Yogesh B. Mehta, Chartered Accountant, as the Statutory Auditor for the Financial Year 2005-06, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 21<sup>st</sup> Annual General Meeting and to authorise the Board of Directors to decide his remuneration.

#### SPECIAL BUSINESS :

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Ordinary Resolution** :

**"RESOLVED THAT** Shri Ankit Miglani, who was appointed as an Additional Director in the meeting of the Board of Directors of the Company held on 29<sup>th</sup> July, 2005 and who holds office as such upto the date of 20<sup>th</sup> Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from some member signifying his intention to propose Shri Ankit Miglani as a candidate for the office of Director of the Company be and is hereby appointed as a Director of the Company."

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution** :

**"RESOLVED THAT** pursuant to Article 28 of the Articles of the Association of the Company, Schedule XIII and Section 269 read with Section 314(1B) and other applicable provisions of the Companies Act, 1956 and subject to the prior approval of the Central Government, the approval of the members of the Company be and is hereby accorded to the appointment of Shri Ankit Miglani, son of Shri Rajinder Miglani, Chairman & Managing Director of the Company and brother of Shri Anuj Miglani, Dy. Managing Director & COO of the Company, as a Whole-Time Director designated as Director (Commercial) of the Company for a period of three years with effect from such date as may be allowed by the Central Government on the following terms and conditions :-

1. Salary : Rs.2,00,000/- per month.
2. Provident Fund : 12% of the Salary per month.
3. Superannuation : 15% of the Salary per month.

The Conditions of Provident Fund and Superannuation are subject to any change effected in the schemes / rules of the respective funds or rules of the Company.

4. Car : The Company shall provide him car without chauffeur for official business.
5. Telephone : Provisions of telephone at residence for official business.
6. Gratuity : Benefits in accordance with the Rules and Regulations in force in the Company from time to time but shall not exceed a half month's salary for each completed year of service.
7. Leave : Leave on fully pay and allowance at the rate of one month for every eleven months of Service with liberty to accumulate such leave for a period of six months. Leave encashment for a maximum of six months accumulated leave to be permitted at the end of the term, after obtaining such approvals as may be necessary.
8. Such other benefits and amenities as may be provided by the Company to other Senior Officers from time to time.
9. The Company shall pay to or reimburse Director (Commercial) and he shall be entitled to be paid and or / to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

The scope and quantum of remuneration specified hereinabove, may be subject to such Guidelines as may be announced by the Central Government from time to time and will be subject to such modification as the Central Government may suggest or require which the Board of Directors is hereby authorised to accept on behalf of the Company and which may be acceptable to Shri Ankit Miglani and not less favorable to the Company.

**RESOLVED FURTHER THAT** the approval of the Members of the Company be and is hereby accorded to the Board of Directors to alter and vary the terms and conditions of appointment of Shri Ankit Miglani, including remuneration payable to him in accordance with the provisions of Schedule XIII to the Companies Act, 1956 as the Board of Directors may deem fit and as may be agreed to by Shri Ankit Miglani;





**RESOLVED FURTHER THAT** Shri R.K. Haran, Company Secretary be and is hereby authorised to file necessary forms and returns with the Registrar of Companies and to do all such acts, deeds, matters and things as may be considered necessary in this regard."

7. To consider and if thought fit, to pass, with or without modification(s) the following Resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 1956 and Article 3 of the Articles of Association of the Company; 2,00,00,000 (Two Crores Only) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) in the Authorised Capital of the Company be and are hereby re-classified into 60,00,000 (Sixty Lacs) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 10/- each aggregating to Rs. 6,00,00,000/- (Rupees Six Crores Only) and 1,40,00,000 (One Crore Forty Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 14,00,00,000/- (Rupees Fourteen Crores Only), accordingly, the revised Authorised Share Capital shall be as under :

The Authorised Share Capital of the Company is Rs. 1,25,00,00,000 (Rupees One Hundred Twenty Five Crores Only), divided into 11,90,00,000 (Eleven Crores Ninety Lacs Only) Equity Shares of Rs. 10/- each aggregating to Rs. 119,00,00,000/- (Rupees One Hundred Nineteen Crores Only) and 60,00,000 (Sixty Lacs) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 10/- each aggregating to Rs. 6,00,00,000/- (Rupees Six Crores Only)."

8. To consider and if thought fit, to pass, with or without modification(s) the following Resolution as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company be and is hereby deleted and substituted by the following Clause V :

**Clause V :**

The Authorised Share Capital of the Company is Rs. 1,25,00,00,000 (Rupees One Hundred Twenty Five Crores Only). Divided into 11,90,00,000 (Eleven Crores Ninety Lacs Only) Equity Shares of Rs. 10/- each aggregating to Rs. 119,00,00,000/- (Rupees One Hundred and Nineteen Crores Only) and 60,00,000 (Sixty Lacs), Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 10/- each aggregating to Rs. 6,00,00,000/- (Rupees Six Crores Only) , with power to increase or reduce the Share Capital with the right, privileges and conditions, attaching thereto, as are provided by the Articles of Association of the Company for the time being into such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or statutory modification thereof or provided by the Articles of Association of the Company for the time being.

**RESOLVED FURTHER THAT** in the event of entire conversion of OCCRPS into Equity Shares within the stipulated period, the aforesaid Clause V of the Memorandum of Association shall stand deleted and substituted by the following;

"The Authorised Capital of the Company is Rs. 1,25,00,00,000 (Rupees One Hundred Twenty Five Crores Only), divided into 12,50,00,000 (Twelve Crores Fifty Lacs Only) Equity Shares of Rs. 10/- each."

**RESOLVED FURTHER THAT** in the event of partial conversion and corresponding partial non-conversion of aggregate 60,00,000 (Sixty Lacs) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 10/- each aggregating to Rs. 6,00,00,000/- (Rupees Six Crores Only) into Equity; the number of Equity Shares over and above 11,90,00,000 (Eleven Crores Ninety Lacs Only) shall stand correspondingly enhanced by actual number of converted Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) and the number of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) shall stand correspondingly reduced and in the financial analysis; clause V in the Memorandum of Association shall be read correspondingly so as to conform consistently and proportionately the contingent events of conversion and non conversion."

9. To consider and if thought fit, to pass, with or without modification(s) the following Resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 31 and other applicable provisions if any, of the Companies Act, 1956. The existing Article 3 of the Articles of Association of the Company be and is hereby deleted and substituted by the following Article 3.

**Article 3:**

The Authorised Capital of the Company is Rs.1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores only) divided into 11,90,00,000 (Eleven Crores Ninety Lacs Only) Equity Shares of Rs. 10/- each (Rupees Ten Only) aggregating to Rs. 119,00,00,000/- (Rupees One Hundred and Nineteen Crores Only) and 60,00,000/- (Sixty Lacs Only) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 10/- each (Rupees Ten Only) aggregating to Rs. 6,00,00,000/- (Rupees Six Crores Only) with power to increase or reduce the share capital with rights, privileges and conditions, attaching thereto as are provided by the Articles of Association of the Company for the time being into such preferential, qualified or special rights, privileges and conditions, as may be determined by or in accordance with Articles of Association of the Company for the time being and to vary modify abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or such statutory modification thereof or provided by the Articles of Associations for the time being.



## Uttam Galva Steels Limited

**RESOLVED FURTHER THAT** in the event of entire CONVERSION of OCCRPS into Equity Shares within the stipulated period, the aforesaid Article 3 of the Articles of Association shall stand deleted and substituted by the following:

"The Authorised Capital of the Company is Rs.125,00,00,000/- ( Rupees One Hundred Twenty Five Crore Only) divided into 12,50,00,000/- (Twelve Crore Fifty Lacs Only) Equity Shares of Rs. 10/- each (Rupees Ten Only)"

**RESOLVED FURTHER THAT** that in event of partial conversion and correspondingly partial non conversion of entire 60,00,000 (Sixty Lacs) OCCRPS of Rs. 10/- each aggregating to Rs. 6,00,00,000/- (Rupees Six Crores Only) into Equity; the number of Equity Shares over and above 11,90,00,000 (Eleven Crores Ninety Lacs Only) shall stand correspondingly enhanced by actual number of converted Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) and the number of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) shall stand correspondingly reduced and in the financial analysis; Article No. 3 in Articles of Association shall be read correspondingly so as to conform consistently and proportionately the contingent events of conversion and non conversion."

By Order of the Board of Directors

Registered Office :  
Uttam House,  
69, P.D'Mello Road,  
Mumbai 400 009.

Rajendra Kumar Haran  
(Company Secretary)

Date : July 29th, 2005.

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXIES. IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Explanatory Statement under section 173(2) of the Companies Act, 1956 in respect of item No. 5, 6, 7 & 8 of the Notice is enclosed herewith.
3. Register of Members and Share Transfer Books of the Company shall remain closed from September 16<sup>th</sup>, 2005 to September 23<sup>rd</sup>, 2005 (both days inclusive).
4. Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to address their queries to the Company Secretary, so as to reach him at least seven days before the date of Meeting.
5. Members/Proxies attending the Meeting are requested to bring their Attendance Slip, sent herewith, duly filled in and also their copies of the Annual Report.
6. The Company's Shares are listed on Stock Exchanges at Mumbai, Delhi, Kolkata and at National Stock Exchange of India, Mumbai.
7. Unclaimed Dividend for the Financial Year ended 31<sup>st</sup> March, 1997, has been transferred to Investor Education and Protection Fund of the Central Government on 15<sup>th</sup> October, 2004, in terms of Section 205C of the Companies Act, 1956.
8. All queries relating to Share Transfer and allied subjects should be addressed to :

Mondkar Computers Private Limited,  
(Unit : UGSL)  
21, Shakil Niwas,  
Mahakali Caves Road,  
Andheri (East),  
Mumbai 400 093.



## EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956.

The following Explanatory Statement sets out all the material facts relating to the Special Business under Item No. 5, 6, 7 and 8 of the accompanying Notice of the 20<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 24th September 2005, at 10.30 a.m.

### In respect of Item No. 5 & 6

Shri. Ankit Miglani, a young man of about 25 years, son of Shri Rajinder Miglani, CMD of the Company and brother of Shri Anuj Miglani – Dy. Managing Director & COO of the Company.

Shri. Ankit Miglani has done his Junior College with specialization in Electronics from Jai Hind College, Mumbai. Thereafter, he has graduated in Economics with specialization in Finance from Wharton School, University of Pennsylvania, Philadelphia, U.S.A. in the year 2001.

After graduation, Shri. Ankit Miglani has proved his abilities as Fund Trader in Nasdaq Securities of about 1 Million US Dollars daily at M/s. Blackwood Securities LLL, New York, U.S.A. during the years 2001 and 2002.

Thereafter, Shri. Ankit Miglani has worked at M/s. Detroit Cold Rolling Mills, Detroit, U.S.A. in the areas of PPIC, Freight & Logistics for about six months in the year 2002.

Shri. Ankit Miglani has got himself deeply involved in all the vital non-technical functions of the Company such as Finance & Accounts, Domestic & International Marketing, Commercial specially purchase of raw materials, as Management Trainee from 29<sup>th</sup> January, 2003 to 28<sup>th</sup> July, 2005.

Thereafter, he was appointed as Additional Director with effect from 29<sup>th</sup> July, 2005 in accordance with the provisions of Section 260 of the Companies Act, 1956 and therefore holds office upto the date of this 20<sup>th</sup> Annual General Meeting. Notice in terms of provisions of Section 257 of the Companies Act, 1956 has been received from a member of the Company proposing candidature of Shri Ankit Miglani as Director of the Company.

In view of Shri Ankit Miglani's having trained himself well in the aforesaid areas and his ability to perform as a Whole-Time Director his appointment as a Whole-Time Director designated as Director (Commercial) is proposed on the terms and conditions as set out in the Special Resolution at Item No. 6.

The terms and conditions of the appointment of Shri Ankit Miglani as a Whole-Time Director designated as Director (Commercial) as set out in the Special Resolution at Item No. 6 should also be treated as Abstract of the terms and conditions of the said appointment Under Section 302 of the Companies Act, 1956.

None of the Directors are concerned or interested in these Resolutions except Shri Rajinder Miglani and Shri Anuj Miglani being relatives of Shri Ankit Miglani.

The Board recommends the Resolutions at item Nos. 5 & 6.

### In respect of item no. 7

Pursuant to the Special Resolution passed by the Company Under Section 81(1A) of the Companies Act, 1956 at the Extra-Ordinary General Meeting held on 15<sup>th</sup> June, 2005, the Company has raised in July, 2005 Foreign Currency Convertible Bonds (FCCB) to the tune of US \$ 30 Millions, having an option to convert into Equity Shares of the Company by the holders of the FCCB. The amount of the said FCCB may be further raised to USD 45 million shortly.

In view of the above the Company needs to have sufficient Unissued Equity Shares for the purpose of allotment of aforesaid Equity Shares in the event of the conversion of the aforesaid FCCB into Equity Shares, as the present Unissued Equity Capital is only Rs. 25.04 Crores Your Board therefore has decided to re-classify the structure of Authorised Share Capital by converting the un-issued 1,40,00,000 (One Crores Forty Lacs) OCCRPS of Rs. 10/- each aggregating to Rs. 14,00,00,000 (Rupees Fourteen Crores Only) into 1,40,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 14,00,00,000 (Rupees Fourteen Crores Only) out of the 2,00,00,000 (Two Crores) OCCRPS of Rs. 10/- each aggregating to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) and to keep the balance 60,00,000 (Sixty Lacs) OCCRPS of Rs. 10/- each aggregating to Rs. 6,00,00,000 (Six Crores) as OCCRPS Capital.

The Authorised Share Capital of the Company after re-classification is 11,90,00,000 (Eleven Crores Ninety Lacs) Equity Shares of Rs. 10/- each aggregating to Rs. 119,00,00,000/- (Rupees One Hundred Nineteen Crores Only) Equity Share Capital and 60,00,000 (Sixty Lacs) OCCRPS of Rs. 10/- aggregating to Rs. 6,00,00,000 (Rupees Six Crores Only) OCCRPS Capital, totaling the Authorised Share Capital of the Company to Rs. 125,00,00,000 (Rupees One Hundred Twenty Five Crores Only).

None of the Directors are concerned or interested in this Resolution. The Board recommends the Resolution at Item No. 7.

### In respect of item no. 8 & 9

The amendment in the Capital Clause of Memorandum and Articles is consequential to a decision to re-classify the Company's Authorised Capital from Optionally Cumulative Convertible Redeemable Preference Shares (OCCRPS) into 1,40,00,000 (One Crore Forty Lacs) Equity Shares and 60,00,000 (Sixty Lacs) OCCRPS as contemplated in at Item No. 7.

None of the Directors are concerned or interested in these Resolutions. The Board recommends the Resolutions at Item Nos. 8 & 9.

By Order of the Board of Directors

Registered Office :  
Uttam House,  
69, P.D'Mello Road,  
Mumbai 400 009.

Rajendra Kumar Haran  
(Company Secretary)

Date : July 29th, 2005.