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37th Annual Report 2006
Porritts & Spencer (Asia) Ltd.



BOARD OF DIRECTORS

Bertram Staudenmaier
Chairman

Chandrakant Kahandas Thanawala
Director

Biren De
Director

Ravinder Nath
Director

Manoj Kumar Kapoor
Managing Director

COMPANY SECRETARY
C.S. Gugliani

AUDITORS
S. R. Batliboi & Co., New Delhi

BANKERS
Standard Chartered Bank, New Delhi
ICICI Bank Limited, Faridabad
UTI Bank Limited, Faridabad

REGISTRAR & TRANSFER AGENT
MCS Limited
Sri Venkatesh Bhavan,
W-40, Okhla Industrial Area Phase - II,
New Delhi-110020

REGISTERED OFFICE AND MILL
113/114A, Sector 24,
Faridabad-121 005, Haryana (INDIA)

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Porritts & Spencer (Asia) Limited

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the Thirty Seventh Annual Report together with the Audited Accounts of the Company for the year ended 30th September, 2006.

FINANCIAL HIGHLIGHTS

| | Rs. in millions | |
|--|------------------------|----------------|
| | 2005-06 | 2004-05 |
| Sales (net of excise duty) | 442.83 | 433.81 |
| Profit before taxation | 155.13 | 138.74 |
| Provisions for taxation | 61.85 | 63.08 |
| Profit after taxation | 93.28 | 75.66 |
| Balance brought forward from previous year | 109.85 | 56.78 |
| Amount available for Appropriation | 203.13 | 132.44 |
| Appropriations: | | |
| – Dividend | 13.18 | 13.18 |
| – Corporate Dividend Tax | 1.85 | 1.85 |
| – Transferred to General Reserve | 9.33 | 7.57 |
| – Surplus carried to Balance Sheet | 178.77 | 109.85 |
| Total | 203.13 | 132.44 |

PERFORMANCE:

During the year under review, your Company has achieved Sales of Rs.442.83 millions, registering a marginal increase of 2.08% over the previous year.

The profit before tax at Rs.155.13 millions exhibits a growth of 11.81% over the previous year.

Barring unforeseen events and occurrences, your Directors expect continuous growth in turnover and profitability.

DIVIDEND:

Your Directors are pleased to recommend, for your approval, a Dividend of Rs.3/- per Equity Share of Rs.10/- each for the year ended on 30th September 2006. This will absorb Rs.13.18 millions. In addition, Rs.1.85 million shall be payable as Corporate Dividend Tax (CDT) thereon (including Surcharge and Education Cess).

DIRECTORS:

During the year, the Holding Company, VF Auslandsbeteiligungen GmbH, has nominated and appointed Mr. Bertram Staudenmaier as the Director and Chairman of the Company in place of Mr. Michael Cartmell with effect from April 10, 2006 in accordance with the provisions contained in the Articles of Association of the Company. Your Directors place on record their appreciation for the contribution made by Mr. Michael Cartmell during his tenure.

Mr. Biren De and Mr. Ravinder Nath, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

The details of Directors of the Company seeking re-appointment are as follows:

| Name of Director | Mr. Biren De | Mr. Ravinder Nath |
|--|---|---|
| Age (years) | 73 | 61 |
| Date of Appointment | 10.09.1986 | 24.10.1998 |
| Expertise in Special Functional areas | Engineering | Legal |
| Qualifications | B.Sc (Hons.) Mechanical Engineering, ARCST | B.Com (Hons.), LLB, International Law (London) |
| Directorships held in outside Companies, as on 30.09.2006 | CSA Associates Private Limited | 1. Altana Pharma Pvt. Limited 2. BMW India Pvt. Limited 3. Citron Holding Pvt. Limited 4. Gas Auto India Pvt. Limited 5. JCL International Limited 6. Kadimi Constructions Pvt. Limited 7. Kanoria Chemicals & Industries Limited 8. Rajinder Narain & Company Consultants Pvt. Limited 9. SPL Limited 10. Zydus Altana Healthcare Pvt. Limited 11. Monsoon Multimedia India Pvt. Limited |
| Membership of Committees of other Companies, in which he is a Director, as on 30.09.2006 | NIL | Kanoria Chemicals & Industries Limited (Member-Remuneration Committee) |
| No. of Shares held in the Company (including those held by Relatives) | 1370 | NIL |



AUDITORS' REPORT:

The observations of the auditors are self-explanatory and, therefore, do not call for any further comments.

AUDITORS:

M/s S.R. Batliboi & Co., Chartered Accountants, New Delhi, the present auditors, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Company has received a certificate from them stating that the re-appointment, if made, will be in conformity with the limits specified under Section 224 (1B) of the Companies Act, 1956.

CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreement with the Stock Exchange, the reports on Management Discussion and Analysis, Corporate Governance as well as the Certificate regarding compliance of conditions of Corporate Governance, are annexed and form an integral part of this report.

CERTIFICATIONS:

Your Company is holding the following certifications:

1. Occupational Health and Safety Management System - OHSAS 18001
2. Environmental Management System (EMS) - ISO 14001:2004
3. Quality Management System (QMS) - ISO 9001:2000

Further, during the year under review, your Company has been recommended for Information Security & Management System (ISMS) certification under the new standard ISO/IEC 27001:2005.

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

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure-I, forming part of this report.

FIXED DEPOSITS:

The Company has neither invited nor accepted any deposits from the public during the period under review. Accordingly, there are no unclaimed or unpaid deposits lying with the Company for the period under review.

PARTICULARS OF EMPLOYEES:

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies

(Particulars of Employees) Rules, 1975, as amended, the name and other particulars of the concerned employee are set out in Annexure II of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required by Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit of the Company for the period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities; and
4. The Directors have prepared the annual accounts on a 'going concern' basis.

APPRECIATION:

Your Directors wish to convey their thankful appreciation for the constant and wholehearted support of the Company's Customers, Shareholders, Suppliers, Bankers, and the State and Central Governments, without which the Company would not have been able to accomplish whatever it has actually attained. Your Directors also take this opportunity to express their appreciation to all employees, who continue to display professionalism and commitment, in achieving the corporate objectives.

For and on behalf of the Board

Manoj Kumar Kapoor
Managing Director

New Delhi
31st October, 2006

C. K. Thanawala
Biren De
R. Nath
Directors

Porritts & Spencer (Asia) Limited

ANNEXURE I

Information in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

A. CONSERVATION OF ENERGY

Your Company continues to remain conscious of conserving energy resources and is in the process of implementation of measures to reduce the consumption of energy. The objective is being achieved by continued review and implementation of improved processes and techniques and by using energy efficient equipment. Resources are adequately deployed to meet these objectives.

The required data regarding total energy consumption per unit of production is given hereunder in Form A.

FORM A

| Part A – Power and Fuel Consumption | | 2005-2006 | 2004-2005 |
|--|--|---------------|-----------|
| 1. Electricity | | | |
| (a) Purchase units (millions) | | 1.16 | 1.22 |
| Total amount (Rs. in millions) | | 4.73 | 4.99 |
| Rate/unit (Rs.) | | 4.06 | 4.08 |
| (b) Own Generation | | | |
| (i) Through diesel generating units (millions) | | 0.82 | 0.69 |
| Unit per litre of diesel oil | | 2.94 | 2.87 |
| Cost/unit (Rs.) | | 10.48 | 9.33 |
| (ii) Through steam turbine/generator | | NIL | NIL |
| 2. Coal | | NIL | NIL |
| 3. Furnace Oil | | | |
| Quantity (K. Lts.) | | 194.23 | 193.66 |
| Total amount (Rs. in millions) | | 5.38 | 4.61 |
| Average rate (Rs. per litre) | | 27.70 | 23.81 |
| 4. Others/Internal generation | | NIL | NIL |
| Part B – Consumption per unit of production | | | |
| Product | | Felts | Felts |
| Unit | | Kgs. | Kgs. |
| Electricity | | 8.22 | 8.13 |
| Furnace oil | | 0.80 | 0.82 |

B. TECHNOLOGY ABSORPTION

FORM B

Research & Development (R&D)

Areas of concentration of regular Research and Development activities carried on by the Company have been quality upgradation of the products for total customer satisfaction, introduction of new designs to meet the expectations of quality conscious market and development of indigenous sources for import substitution.

Expenditure incurred on R&D during the year is given below:

| | (Rs. in millions) |
|--|-------------------|
| a) Capital | 0.1 |
| b) Recurring | 5.5 |
| c) Total (a+b) | 5.6 |
| d) Total R&D expenditure as a percentage of total turnover | 1.19% |



Technology Absorption, Adaptation & Innovation

Your Company continuously tries to identify the avenues and brings about the necessary modifications in its equipments & processes to improve the efficiency in production methods, reduce the pollution levels and conserve energy & other resources.

During the year under review, your Company has made significant investment in setting-up a new oil-heated 'Finishing Cylinder' at its location. This is likely to become functional in this year and it is expected to further enhance the quality of 'Felts' being manufactured by the Company.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Exports during the year were Rs.29.31 millions. Your Company continues to explore new foreign markets and to enlarge its share in the existing markets.

| | (Rs. in millions) |
|---------------------------|-------------------|
| Foreign exchange earnings | 29.94 |
| Foreign exchange outgo | 155.25 |

ANNEXURE II

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors Report for the year ended 30th September 2006:

| Name | Age (years) as on 30.09.2006 | Designation, Date of Commencement of employment, and Experience in years | Remuneration (Rs.) | Qualifications | Last Employment held |
|------------------------|------------------------------|--|--------------------|---|---|
| Mr. Manoj Kumar Kapoor | 41 | Managing Director 28 th July, 1992* 23 years | 77,49,403/- | B.Com (Hons.), LLB, FCS, LMIMA, LMICA | Jaypee Hotels Limited Assistant Company Secretary |

*Mr. Manoj Kumar Kapoor joined the Company on 28.07.1992, as Company Secretary and he became the Executive Director w.e.f. 01.02.2002. He was appointed as Managing Director of the Company with effect from 10.04.2004 for a period of five years.

NOTES:

1. The remuneration includes salary, allowances, medical benefits, Company's contribution to Provident Fund, Superannuation Fund and value of other perquisites.
2. The nature of employment is contractual.

Porritts & Spencer (Asia) Limited

REPORT ON CORPORATE GOVERNANCE

A. MANDATORY DISCLOSURES

1. Company's philosophy on the code of Corporate Governance

Being a value-driven organization, your Company has always worked towards building trust with all stakeholders based on the four pillars of transparency, fairness, disclosure and accountability. We aim at creating and maximizing the wealth of the shareholders while protecting the interests of all other stakeholders on a sustainable and long-term basis.

In this report we confirm our compliance with the Corporate Governance Charter, as laid down under Clause 49 of the Listing Agreement with the Stock Exchange.

2. Board of Directors

The Board of Directors of the Company consists of five Directors, headed by a Non-executive Chairman. The day-to-day management of the Company is conducted by the Managing Director subject to the supervision and control of the Board of Directors of the Company.

All statutory and material information is made available to the Board of Directors to ensure adequate disclosures and a transparent decision making process.

During the year ended 30.09.2006, the Board met 6 times, on 18th October and 01st December in the year 2005 and on 10th January, 03rd March, 11th April and 21st July in the year 2006.

The Composition of the Board of Directors, Attendance record and details of Directorships of Directors are as follows:

| Name of Director | Category | Board Meetings attended during the year | Attendance at last AGM held on 02.12.2005 | Number of outside Directorships held (including Private Limited companies) | | Number of other Committee Memberships | |
|---------------------------------|--|---|---|--|-----------------|---------------------------------------|-----------|
| | | | | Indian Companies | Other Companies | As Chairman | As Member |
| Mr. Michael Cartmell, Chairman* | Non-Executive Director & Nominee of VF Auslandsbeteiligungen GmbH, Germany | 1 | Present | NIL | NIL | NIL | NIL |
| Mr. Bertram Staudenmaier* | Non-Executive Director & Nominee of VF Auslandsbeteiligungen GmbH, Germany | 0 | N.A. | NIL | NIL | NIL | NIL |
| Mr. C.K. Thanawala | Independent & Non-executive Director | 6 | Present | As Chairman:0 As Director: 13 | NIL | 02 | NIL |
| Mr. Biren De | Independent & Non-executive Director | 6 | Present | As Chairman:0 As Director:01 | NIL | NIL | NIL |
| Mr. Ravinder Nath | Independent & Non-executive Director | 6 | Present | As Chairman:0 As Director:11 | NIL | NIL | 01 |
| Mr. Manoj Kumar Kapoor | Executive Director designated as Managing Director | 6 | Present | NIL | NIL | NIL | NIL |

* The Holding Company, VF Auslandsbeteiligungen GmbH, has nominated and appointed Mr. Bertram Staudenmaier as a Director and the Chairman of the Company in place of Mr. Michael Cartmell with effect from April 10, 2006.

Details of shares of the Company held by the Directors and their relatives as on 30.09.2006:

| Name of the Director | Shares held by the Director in the Company | Shares held by Relatives | Total Shares held |
|--------------------------|--|--------------------------|-------------------|
| Mr. Bertram Staudenmaier | NIL | NIL | NIL |
| Mr. C.K. Thanawala | 448 | 3136 | 3584 |
| Mr. Biren De | 1370 | NIL | 1370 |
| Mr. Ravinder Nath | NIL | NIL | NIL |
| Mr. Manoj Kumar Kapoor | 20 | 04 | 24 |

The statutory registers that are required to be kept under the various enactments are properly maintained and continuously updated.

The Company has constituted the following three Committees of the Board:

3. Audit Committee

Terms of reference - The Audit Committee provides direction to the audit function in the Company and monitors/reviews the quality of financial management



and internal audit. It also oversees the financial reporting process for proper disclosure in the financial statements and recommends appointment, re-appointment and removal of the auditors and about fixing their remuneration. The Committee also reviews the quarterly, half-yearly as well as annual financial statements before the same are submitted to the Board, with particular reference to matters to be included in Directors' Responsibility Statement, changes, if any, in the accounting policies and practices, major accounting entries involving estimates based on exercise of judgment by the management, significant adjustments made in financial statements, compliance with listing and other legal requirements relating to financial statements, disclosure of related party transactions, qualifications, if any, in the draft audit report, etc. It also oversees the working of the Internal Audit system, including the internal control mechanism of the Company.

Composition - The Audit Committee of the Board of Directors is comprised of three Independent and Non-executive Directors. The Committee is chaired by Mr. C. K. Thanawala, who has done his AMBIM & ACWA qualifications from the United Kingdom.

The composition of the Audit Committee is given below:

| Name & Designation of the Member | Category | Number of meetings attended |
|----------------------------------|--------------------------------------|-----------------------------|
| Mr. C.K. Thanawala, Chairman | Independent & Non-executive Director | 4 |
| Mr. Biren De, Member | Independent & Non-executive Director | 4 |
| Mr. Ravinder Nath, Member | Independent & Non-executive Director | 4 |

Mr. C.S. Gugliani, Company Secretary, is the Secretary to the Committee.

Four meetings of the Audit Committee were held during the period under review, as per details given below:

| Date of the Meeting | Purpose of the meeting |
|--------------------------------|--|
| 18 th October, 2005 | To review the Audited Financial Results for the period ended on 30 th September 2005. |
| 10 th January, 2006 | To review the Audited Financial Results of the Company for the period ended on 31 st December 2005. |
| 11 th April, 2006 | To review the Audited Financial Results of the Company for the period ended on 31 st March 2006. |
| 21 st July, 2006 | To review the Audited Financial Results of the Company for the period ended on 30 th June 2006. |

4. Remuneration Committee

Terms of reference - The functions of the Remuneration Committee include making recommendations for appointments on the Board, grant of remuneration to the Whole time/ Managing Director(s) etc., and evaluation of their performance, as also forming any remuneration policy(s) in relation thereto.

Composition - The Remuneration Committee of the Board of Directors comprises of three Independent and Non-executive Directors. Mr. Biren De, a qualified Engineer, chairs the Committee. Four meetings of the Remuneration Committee were held during the period under review, on 18th October in the year 2005 and on 10th January, 11th April and 21st July in the year 2006. The composition of the Remuneration Committee is given below:

| Name & Designation of the member | Category | Number of meetings attended |
|----------------------------------|--------------------------------------|-----------------------------|
| Mr. Biren De, Chairman | Independent & Non-executive Director | 4 |
| Mr. C.K.Thanawala, Member | Independent & Non-executive Director | 4 |
| Mr. Ravinder Nath, Member | Independent & Non-executive Director | 4 |

Remuneration policy - The Managing Director is paid remuneration as approved by the Board of Directors on the recommendation of the Remuneration Committee. The remuneration is fixed considering various factors such as qualification, experience, expertise, and capability of the appointee, remuneration prevailing in the industry and financial position of the Company, etc.

The following payments are being made to the Non-executive Directors (except the Nominee of VF Auslandsbeteiligungen GmbH, Germany):

1. Sitting Fees, which is paid to them for attending the meetings of the Board of Directors and/ or its Committees.
2. Commission @ 0.5% (half per cent) of the net profits of the Company during the year from 01.10.2005 to 30.09.2006.

The following are the details of the remuneration (including perquisites, bonus/ commission and retirement benefits) paid/ payable to the Managing Director during the year ended on September 30, 2006, as per the terms and conditions of his appointment.

Porritts & Spencer (Asia) Limited

| Particulars | Amount (Rs.) |
|---|------------------|
| Basic Salary | 38,85,000 |
| Commission* | 5,25,000 |
| Allowances & Perquisites | 22,90,453 |
| Contribution to Provident & Other Funds | 10,48,950 |
| Total | 77,49,403 |

*Commission paid/payable is decided by the Board of Directors from time to time based upon the profitability/ growth of the Company/ cost reduction measures/cordial industrial relations/innovative measures/motivation & morale of the workforce, etc.

Note: Liability of Gratuity not ascertainable since it is funded through Group Gratuity scheme of LIC.

The Details of Sitting Fees paid (@ Rs.5,000/- for each meeting) to the Independent & Non-executive Directors during the year for attending the meetings of the Board of Directors and/or committees thereof are as follows:

| Name of the Director | Sitting Fees (in Rs.) paid for attending meetings of | | | | Total Sitting Fees paid (Rs.) |
|----------------------|--|-----------------|------------------------|-------------------------------|-------------------------------|
| | Board of Directors | Audit Committee | Remuneration Committee | Investor Grievances Committee | |
| Mr. C. K. Thanawala | 30000 | 20000 | 20000 | 0 | 70000 |
| Mr. Biren De | 30000 | 20000 | 20000 | 0 | 70000 |
| Mr. Ravinder Nath | 30000 | 20000 | 20000 | 20000 | 90000 |

For the year 2005-2006, a total of Rs. 8,24,849/- is paid/payable as Commission to the following Independent & Non-executive Directors of the Company, in equal proportions:

- Mr. C. K. Thanawala
- Mr. Biren De
- Mr. Ravinder Nath

5. Investor Grievances Committee

Terms of reference - The functions of the Investor Grievances Committee include overseeing the allotment/approvals & rejection of transfer/

transmission of shares, issue of duplicate share certificates, review and redressal of the investors' complaints and listing requirements of securities on the stock exchanges including dematerialization and/or rematerialization of securities.

Composition - The Investor Grievances Committee comprises of two Directors, one Independent & Non-executive Director and the Managing Director. The Independent & Non-executive Director, Mr. Ravinder Nath, an advocate by profession, chairs the meetings of the Committee. Four meetings of the Investor Grievances Committee were held during the period under review, on 18th October 2005, 10th January 2006, 11th April 2006 and 21st July 2006.

The composition of the Investor Grievances Committee is given below.

| Name & Designation of the member | Category | Number of meetings attended |
|----------------------------------|--------------------------------------|-----------------------------|
| Mr. Ravinder Nath, Chairman | Independent & Non-executive Director | 4 |
| Mr. Manoj Kumar Kapoor, Member | Managing Director | 4 |

Mr. C.S. Gugliani, Company Secretary, is the Compliance Officer.

Details of Share Transfers and other Investor complaints received & disposed off during the year are as follows:

| Particulars | Share Transfers | Complaints |
|--|-----------------|------------|
| No. of cases pending as on 01.10.2005 | NIL | NIL |
| No. of cases received during the period 01.10.2005 to 30.09.2006 | 91 | 23 |
| No. of cases disposed off during the period 01.10.2005 to 30.09.2006 | 91 | 23 |
| No. of cases pending as on 30.09.2006 | NIL | NIL |

6. General Body Meetings

| Year (AGM) | Venue | Day & Date | Time |
|--------------------------|---|-----------------------|------------|
| 2005 (36 th) | Magpie Tourist Complex of Haryana Tourism Corporation Limited Sector 16A, Mathura Road, Faridabad | Friday, 02.12.2005 | 10:30 a.m. |
| 2004 (35 th) | Magpie Tourist Complex of Haryana Tourism Corporation Limited Sector 16A, Mathura Road, Faridabad | Wednesday, 10.11.2004 | 09:30 a.m. |
| 2003 (34 th) | Magpie Tourist Complex of Haryana Tourism Corporation Limited Sector 16A, Mathura Road, Faridabad | Friday, 21.11.2003 | 10:30 a.m. |



Special Resolutions:

The following Special Resolutions were passed at the last three Annual General Meetings:

| Year (AGM) | Matters for which Special Resolutions were passed |
|--------------------------|--|
| 2005 (36 th) | 1. Payment of Commission to Non-Executive Directors of the Company |
| 2004 (35 th) | 1. Appointment of new Auditors of the Company 2. Appointment of Managing Director of the Company 3. Alteration in Articles of Association of the Company |
| 2003 (34 th) | 1. Alteration in Articles of Association of the Company 2. Voluntary De-listing of the Equity Shares of the Company from the Delhi Stock Exchange Association Limited (DSE) and The Calcutta Stock Exchange Association Limited (CSE) |

Special Resolution through Postal Ballot:

There was no item during the year under review that required Postal Ballot. The requirement of Postal Ballot shall be complied with, wherever applicable, as required by law. As on date, there is no Special Resolution proposed to be passed through Postal Ballot.

7. Disclosures:

During the year ended 30th September 2006, there has been no materially significant transaction entered by the Company with any party, which is considered to have potential conflict with the interest of the Company at large.

There has not been any non-compliance, and no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any such other statutory authority, on any matter relating to the capital markets, during the last three years.

The Company has not yet put in place a Whistle Blower Policy. However, no person has been denied access to the Audit Committee of the Board of Directors of the Company.

The Company has fully complied with the Mandatory Requirements of Clause 49 of the Listing Agreement, as revised/amended by the BSE vide its letter ref. No. CRD/GEN/2005/7 dated 06.11.2005 pursuant to SEBI circular no. SEBI/CFD/DIL/CG/1/2005/12/10 dated 29.10.2005.

Disclosures of Accounting Treatment:

While preparation of the Financial Statements, the Accounting Standards, issued by The Institute of Chartered Accountants of India (ICAI), have been strictly followed and there is no deviation in any respect.

8. Means of Communication:

The financial results of the Company are normally published in The Economic Times, Financial Express, Jansatta and Navbharat Times. The financial results are also displayed on the Company's website www.porrittsandspencerasia.com

The Company also complies with the requirements of Clause 51 of the Listing Agreement with respect to EDIFAR (Electronic Data Information Filing and Retrieval) filing.

The relevant information is also available at the website www.sebiedifar.nic.in maintained by SEBI/NIC in this regard.

Your Company believes that all the stakeholders should have access to adequate information about the Company. All information, which could have a material bearing on the share prices, is released at the earliest. The Company keeps on updating its website to provide comprehensive relevant information.

9. General Shareholder Information:

Annual General Meeting

| Day, Date | Time | Venue |
|---|------------|--|
| Wednesday, 6 th December, 2006 | 11:30 a.m. | Magpie Tourist Complex of Haryana Tourism Corporation Limited, Sector-16A, Mathura Road, Faridabad |

Financial Calendar :

1st October 2006 to 30th September 2007

Taking on record/ publication of Quarterly results (tentative):

Results for Quarter I (01.10.2006 to 31.12.2006):
in January 2007

Results for Quarter II (01.01.2007 to 31.03.2007):
in April 2007

Results for Quarter III (01.04.2007 to 30.06.2007):
in July 2007

Results for Quarter IV (01.07.2007 to 30.09.2007):
in October 2007

Book Closure and Dividend Payment Date:

Book closure: From Thursday, 16th November, 2006 to Wednesday, 6th December, 2006 (both days inclusive)

Dividend payment date: within 30 days from the date of declaration of dividend.