



**Annual
Report
2004-2005**

Vanasthali Textile Industries Ltd.



BOARD OF DIRECTORS

Shri Rajesh Modi
 Shri S. P. Chadha
 Shri Sanjay Kr. Khaitan
 Shri Hemant Mansinghka
 Shri Satpal Singh
 Shri K.M. Mathur
 Shri Praveen Deva
 Shri J. K. Das

Managing Director
Director
Director
Director
Nominee Director (IFCI)
Nominee Director (IDBI)
Whole Time Director
Joint Managing Director

AUDITORS

M/s P. K. Soni & Co.
 Chartered Accountants,
 B-86A, 11nd Floor, Kalkaji
 New Delhi 110 019.

BANKERS

Allahabad Bank
 Federal Bank
 Oriental Bank of Commerce
 State Bank of Bikaner & Jaipur

WORKS & REGISTERED OFFICE

F-3-5, RIICO Industrial Complex,
 Vigyan Nagar, Shahjahanpur-301 706
 District Alwar (Rajasthan)

HEAD OFFICE

E-67, Greater Kailash Enclave-I,
 New Delhi 110 048

REGISTERAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Limited
 "Beetal House", 3rd Floor,
 99, Madangir, Behind Local Shopping Centre,
 Near Dada Mansukh Das Mandir,
 New Delhi-110 062

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NOTICE

NOTICE is hereby given that the Fourteenth Annual General Meeting of the members of the company is to be held on Friday, the 2nd Day of September 2005 at 10:00 A.M. at F-3-5 RIICO Industrial Complex, Vigyan Nagar, Shahjahanpur Distt, Alwar, Rajasthan, to transact the following businesses as:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet of the company as on 31st March 2005 and the profit and loss account for the year ended on that date together with the reports of the Board of Directors and Auditors' thereon.
2. To appoint a director in place of Sh. S. P. Chadha who retires by rotation, and being eligible offers himself for the reappointment.
3. To appoint a director in place of Sh. Sanjay Kumar Khaitan, who retires by rotation, and being eligible offers himself for the reappointment.
4. To appoint statutory auditors of the company, and to fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 224 (1) of the Companies Act, 1956 M/s P.K. Soni & Co., Chartered Accountants, be and is hereby, reappointed as the auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company at such a remuneration as may be mutually agreed upon between the Board of Directors and the Auditors, plus reimbursement of service tax, out of pocket, travelling and living expenses.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT Sh J. K. Das, for whom notice has been received under section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 269 and 309 read with Schedule XIII and other applicable provisions of The Companies Act, 1956, (including any statutory modification, amendments or re-enactments thereof, from time to time) and enabling provisions of the Articles of Associations of the Company, Sh. J.K. Das be and is hereby appointed as the Joint Managing Director of

the Company for a period of five years w.e.f. 29th October 2004 but his term of office will be subject to retirement by rotation and he shall be paid remuneration in accordance with Part II of Schedule XIII of the Companies Act, 1956 and in case of no profit or inadequate profit Sh. J. K. Das shall be paid remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limits as specified in section II of the Part II of Schedule XIII of The Companies Act, 1956 as set out below:-

Basic Salary:- Rs. 21,650 (Rupees Twenty one thousand six hundred fifty only) per month (Subject to increase of Rs. 5,000/- per annum effective from 1st April 2005 and thereafter on the first day of each financial year in the slab of Rs. 21,650-5000-46,650)
HRA:- Rs 8000/- per month
Conveyance:- Rs 6,900/- per month
Medical Allowance:- Rs 1,200/- per month
Leave Travel Allowance:- Rs 6,000/- per year
Commision upto 0.5% of the net profits of the Company

and such other perquisites as Board may approve and the Board of Directors will also have liberty and power to fix, alter and vary the remuneration so payable in such manner as the Board may deem fit and are acceptable to him within the limits specified in Schedule XIII of the Companies Act, 1956."

MINIMUM REMUNERATION

In the event of loss or absence of adequate profits, the remuneration aforesaid shall be the minimum remuneration. Any excess over the limit specified under The Companies Act, 1956 shall become payable with the approval of the Central Government wherever so required.

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactments thereof, for the time being in force) and in supersession of the resolution passed at the Annual General Meeting held on 26.09.1997. The existing Clause V of the Memorandum of Association of the Company relating to share capital, be and is hereby altered by deleting the same and substituting in its place, the following as new Clause V."

V "The Authorised Share Capital of the Company is Rupees 22,00,00,000 (Rupees Twenty Two Crores) divided into 2,20,00,000 (Rupees Two Crore Twenty Lacs) Equity Shares of Rupees 10/- (Rupees ten) each.



7. To consider and if thought fit, to pass with or without modifications, the following resolution as a SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactments thereof, for the time being in force) the existing Article No. 3 of The Articles of Association of the Company be and is hereby altered as under: -"

3. "The Authorised Share Capital of the Company is Rupees 22,00,00,000 (Rupees Twenty Two Crores) divided into 2,20,00,000 (Rupees Two Crores Twenty Lacs) Equity shares of Rupees 10/- (Rupees Ten) each. The Company shall have power to increase, consolidate, subdivide, reduce or otherwise alter its share capital, subject to the provisions of the Act.

By order of the Board
For **VANASTHALI TEXTILE IND. LTD.**

Date : 21.07.2005
Place : New Delhi

Sd/-
YOGESH GUPTA
CFO & COMPANY SECRETARY

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING MAY APPOINT ANY PERSON AS HIS/HER PROXY TO ATTEND AND VOTE ON POLL AT THIS ANNUAL GENERAL MEETING ON HIS/HER BEHALF AND THE PROXY SO APPOINTED NEED NOT BE THE MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 29.08.2005 to 01.09.2005 (both days inclusive).
3. The members are requested to bring their copy of the Annual Report to the meeting, as the additional copies would not be available at the venue of the meeting.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACTS, 1956

ITEM NO. 5

Sh J.K. Das, aged 40 years, has done his B.Sc. in Textiles from The College of Textile Technology, Serampore (Calcutta University) and was a First Divisioner securing GOLD MEDAL from West Bengal University. He has also done his Diploma in Business Management from Punjab Agricultural University, Ludhiana.

He joined your Company as a Vice President (Quality

in 1998 and was later promoted to a position of President (Operation). He has a rich work experience of 19 years.

On the resignation of Sh B. P. Saxena from the office of the Joint Managing Director, it was felt necessary and expedient that an experienced person should step into the shoes of Sh B. P. Saxena to take care of the operations being carried on in the factory.

Consequently the Board of Directors in their meeting held on 29th October 2004, appointed him as an Additional Director of your Company in terms of Section 260 of the Companies Act, 1956 and Article 92 of the Articles of Association of your Company He was subsequently appointed as Joint Managing Director of your Company in the same meeting, for a period of five years commencing from 29th October 2004.

Your consent is now sought to approve the appointment and remuneration of Sh J. K. Das in compliance of Schedule XIII of the Companies Act, 1956.

None of the directors except Sh J. K. Das himself is interested or concerned in the resolution.

Your directors recommend the resolution to be passed.

ITEM NO. 6 & 7

The present Authorised Share capital of the Company is Rupees 22,00,00,000/- (Rupee Twenty two crores) divided into 1,70,00,000/- (One Crore Seventy Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and 5,00,000/- (Five Lacs) Preference shares of Rs. 100/- (Rupees One hundred) each. Proposed merger of Regal Weavers Pvt. Ltd. with the Company will lead to an increase in the paid up share capital of the Company beyond what is warranted by existing Authorised Equity Share Capital of the Company. Therefore it is proposed to increase the Authorised Equity Share capital of the Company to Rupees 22,00,00,000/- Crores in the manner as set out in the notice, in accordance with the Companies Act, 1956.

The alteration to Article 3 of the Article of Association is also purely consequential to the alteration to the Capital Clause of the Memorandum of Association of the Company.

Your directors recommend the resolution to be passed.

None of the directors of the Company shall be deemed to be interested or concerned in the resolution.

By order of the Board
For **VANASTHALI TEXTILE IND. LTD.**

Sd/-
Date : 21.07.2005
Place : New Delhi

YOGESH GUPTA
CFO & COMPANY SECRETARY

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the Fourteenth Annual Report together with the audited statements of accounts for the financial year ended 31st March, 2005.

FINANCIAL RESULTS

Your Company's financial performance during the financial year 2004-2005 is summarised below:-

(Rs. in lacs)

Particulars	As on 31.3.05	As on 31.3.04
Sales (Gross)	9999.39	8788.91
Profit before Depreciation, Interest & Tax (PBDIT)	1101.75	990.32
Less : Interest	319.60	380.97
Depreciation	537.88	573.29
Profit before Tax (PBT)	244.27	36.06
Provision for Tax:		
Current	19.00	6.50
Previous Year	(2.44)	2.48
Deferred	(40.15)	(61.97)
Profit after Tax	267.86	89.05
Add: Profit for the earlier years	327.53	415.40
Profit available for appropriations	595.40	504.45
Less: Prior Period Expenses	—	8.19
Less: Depreciation for Prior Period	—	168.72
Transfer to General Reserve	—	—
Proposed Dividend	—	—
Balance carried to Balance Sheet	595.40	327.54

OPERATIONS

During the year, the Company, in spite of falling prices in the international market, increase in the price of yarn (the Company's major raw material) and compounded by the major rise in the prices of petro-based products, has managed to earn handsome profit. There was a significant increase in the turnover of Company. The turnover increased from Rs. 8788.91 Lacs in the financial year 2003-2004 to Rs. 9999.39 lacs during the current financial year 2004-2005, which is 13.77% more than the previous financial year. The company has earned a gross profit of Rs. 1101.75 Lacs for the Year 2004-2005 which is more by 111.43 Lacs as against a gross profit of Rs.990.32 Lacs in the year 2003-2004.

Company's different varieties of towels namely bath, beach, hand and face towels have been exported to

the countries of Europe, United States, Australia, Chile, New Zealand, Japan, South Africa and Middle East.

DIVIDEND

Your directors are unable to recommend any dividend for the year ended 31st March 2005.

FUTURE PROSPECTS

The long-term outlook for terry towel industry is encouraging. The Company continued its emphasis on technology upgradation, modernization, product and market development. Its quality is well established and accepted in the international market.

Now, the Company is focussing on developing of value added products such as embroidered terry towels, micro-cotton towels etc. which can fetch higher price realisation. Further the rate of interest has gone down substantially. The Company is undertaking an expansion project involving an expenditure of approximately 17 crores in respect of which it has already been sanctioned a Term Loan of Rs. 13 Crores by IDBI under TUF scheme. The company is also merging a company named Regal Weavers Private Limited with it which has 6 Dobby Looms and 6 Jacquards looms. The merger process is expected to be completed by the end of December 2005. The Company's focussed effort on technology advancement, product diversification will result in improving the bottom line and it is hoped that barring unforeseen circumstances the Company will perform even better during the Current Financial year.

FIXED DEPOSITS

During the year under review, your company has not accepted any fixed deposit within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereto.

LISTING

The equity shares of your company are currently listed on Mumbai Stock Exchange. The listing fee for the year 2005-2006 has been paid to the Mumbai Stock Exchange. During the year under review, the company received approval for delisting of its securities from Jaipur Stock Exchange and Calcutta Stock Exchange.

INDUSTRIAL RELATIONS

Cordial and harmonious industrial relations prevailed throughout the year which contributed towards good performance in all the areas of the business of the Company.

DIRECTORS

During the year under review IFCI appointed Sh. Satpal Singh as nominee director on the Board of the Company vide letter dated 28th September 2004. Sh. G.S. Rathore



& Sh. B. P. Saxena, Joint Managing Director resigned from the directorship of the Company.

The Board places on record its sincere appreciation for the services rendered by Sh. G.S. Rathore & Sh. B. P. Saxena, Joint Managing Director during their tenure.

Sh. S. P. Chadha and Sh. Sanjay Kumar Khaitan who retire at this Annual General Meeting by rotation, being eligible offer themselves for reappointment.

The Board recommends their reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF COMPANIES ACT, 1956

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March 2005, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the Profit and Loss Account for the year under review;
- (iii) that the directors had taken proper and sufficient care 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 directors had prepared the accounts for the financial year ended 31st March 2005 on a going concern basis.

PARTICULARS OF EMPLOYEES

None of the employees of the company were drawing emoluments more than what has been specified under section 217(2A) of the Companies Act, 1956 read with amended Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE

The Company is strongly committed towards its philosophy of Corporate Governance. The Company has already constituted several committees of directors to assist the Board in good Corporate Governance. The Corporate Governance Report alongwith the Auditors certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange of the Stock Exchange is attached herewith.

AUDITORS

M/s P.K. Soni & Co., Chartered Accountant, B-86A 2nd Floor, Kalkaji, New Delhi 110 019 hold office upto the conclusion of the ensuing Annual General Meeting and being eligible and available offer themselves for reappointment.

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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure & Particulars in the report of board of directors) Rules, 1988, relating to conservation of energy and technology, absorption are given by way of Annexure to this report. As regards to the information in respect of foreign exchange earnings and outgo, the same has been given in the notes to accounts forming part of the Accounts for the year ended 31st March 2005.

ACKNOWLEDGEMENT

Your Directors wish to place on record sincere gratitude to the co-operation and assistance extended by the Government authorities, Financial Institutions, Banks, Suppliers, Agents and Buyers. Your Directors also wish to place on record their deep sense of appreciation for the sincere and dedicated services rendered by the employees of the company.

For and on behalf of the
Board of Directors

Date : 21.07.2005
Place : New Delhi

Sd/-
J.K. DAS
Joint Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT****A. Conservation of energy :**

The Company is making all around efforts for the conservation of energy, The company has installed coal fired Boiler which has lead to savings in fuel consumption. Investment has been proposed in installation of coal-based High Pressure Boiler and Turbine which is expected not only to save fuel cost but also to reduce the per unit cost of generation of electricity.

The impact of the above measures will further be felt during the current year.

Total energy consumption per unit of production as per Form A:

FORM-A

(Form for disclosure of particulars with respect to conservation of energy)

A. Power and Fuel Consumption :**1. Electricity**

	2004-2005	2003-2004
a) Purchased		
Unit (kwh)	4,44,339	1,77,455
Total Amount (Rs.)	20,26,703	8,93,648
Rate/Unit (Rs.)	4.56	5.40
b) Own Generation		
Through D.G. Unit (Kwh) Diesel	95,98,262	1,00,80,668
Through D.G. Unit (Kwh) Furnace Oil	5,44,913	—
Unit/Ltr. of Diesel Oil (Kwh)	3.54	3.77
Unit/Ltr. of Furnace Oil (Kwh)	2.75	—
Cost/Unit (Rs.)	5.10	3.31

2. Coal (For Boiler)

Quantity (Tonnes)	5,454.81	3,026.61
Total Cost (Rs.)	2,22,03,364	75,44,710
Average Rate (Rs. Per Kg)	4.07	2.49

3. Husk (For Boiler)

Quantity (Tonnes)	294.60	3,361.12
Total Cost (Rs.)	4,94,782	69,88,546
Average Rate (Rs. Per Kg)	1.70	2.07

4. Diesel (For Boiler)

Quantity (Litres)	19,237	NIL
Total Cost (Rs.)	3,47,805	NIL
Average Rate (Rs. Per Litre)	18.08	NIL

5. Furnace Oil (For Boiler)

Quantity (Litres)	8,20,984	4,56,317
Total Cost (Rs.)	95,64,464	52,30,928
Average Rate (Rs. Per Litre)	11.65	11.46

6. Consumption per unit of production

Products : Terry Towels

— Electricity (Kwh/Kg)	3.13	3.36
— Furnace Oil (Litre/Kg)	0.26	0.15

FORM B

(Form for disclosure of particulars with respect to absorption)

Research and Development (R&D)**Technology absorption, adaptation and Innovation****1. Efforts in brief**

- The Company has no specific Research & Development activities. However, the company has well equipped quality control department to check the quality of product manufactured.
- 2. Benefits derived as a result of the above.
- The Company has taken regular in house efforts to improve the quality of the product. The Company has installed Furnace Oil DG Sets for electricity generation.
- Better quantity and quality products are achieved. The installation of coal fired boiler and Furnace Oil DG Sets has resulted in considerable cost savings.
- 3. Imported technology
- No technology has been imported except for technologically advanced equipments.

**REPORT ON CORPORATE GOVERNANCE****INTRODUCTION**

Your Company has been practicing the principals of good Corporate Governance as it is crucial to the very existence of the Company as it builds confidence and trust, which eventually leads to a more stable and sustained resource flows and long-term partnership with its investors and other stakeholders. The detailed report on implementation by the Company, of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange, for the financial year 2004-2005 is set out below: -

A. CORPORATE GOVERNANCE - PHILOSOPHY

Corporate Governance envisages a combination of business practices that result in value of the Company to the Shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, employees, vendors, dealers, financiers and to the society at large. As a responsible corporate citizen, it is the earnest endeavor of the Company to improve its focus on Corporate Governance by increasing accountability and transparency to its Shareholders, bankers and customers.

B. BOARD OF DIRECTORS - COMPOSITION AND CATEGORY

The Board of Directors of the Company consists of persons with considerable professional expertise and experience in the field of business industry, finance, management, legal and marketing. The Board of Directors of Vanasthali Textile Industries Limited as on 31.03.2005 comprises of 8 directors, of which three are executive and five are non-executive which meets the requirements of Cause 49 (I)(A) of the Listing Agreement. The board has constituted four committees viz. Audit Committee, Remuneration Committee, Shareholders Grievance Committee & Share Transfer Committee. The Board functions either as a full Board or through Committees. The Board and Committee meet at regular intervals. There is no pecuniary relationship or transaction of the non-executive directors with the Company.

The composition of Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting are stated in the Table below:-

Directors	Category	Meetings held during the tenure of Director	Meetings attended	Attendance at the last A.G.M. (25th September 2004)	No. of Directorship in other Companies#	No. of Membership/ Chairmanship held in Other Companies	
						Member	Chairman
1. Mr. Rajesh Modi	Promoter/ Managing Director/ Executive	5	5	Present	—	—	—
2. Mr. B.P. Saxena*	Joint Managing Director/ Executive	3	2	Present	—	—	—
3. Mr. J.K. Das**	Joint Managing Director/ Executive	3	2	—	—	—	—
4. Mr. Parveen Deva	Executive	5	2	Absent	—	—	—
5. Mr. G.S. Rathore*	Non-executive/ Independent	1	0	Absent	—	—	—
6. Mr. S.P. Chadha	Non-executive/ Independent	5	4	Present	—	—	—
7. Mr. Sanjay Kumar Khaitan	Non-executive/ Independent	5	2	Absent	4	2	—
8. Mr. Hemant Mansinghka	Non-executive/ Independent	5	4	Absent	—	—	—



Directors	Category	Meetings held during the tenure of Director	Meetings attended	Attendance at the last A.G.M. (25th September 2004)	No. of Directorship in other Companies#	No. of Membership/ Chairmanship held in Other Companies Member Chairman	
9. Mr. Satpal Singh**	Nominee Director (IFCI)/ Independent	3	3	—	—	—	—
10. Mr. K.M. Mathur	Nominee Director (IDBI)/ Independent	5	5	Absent	—	—	—

Excludes directorship held in Private Companies.

* Persons ceased to be members of the Board of Directors of the Company:-

1. Sh G. S. Rathore 30th July 2004 (Board Meeting)
2. Sh B. P. Saxena 29th October, 2004 (Board Meeting)

** Persons appointed as members of the Board of Directors of the Company:-

1. Sh J.K. Das 29th October, 2004 (Board Meeting)
2. Sh. Satpal Singh 28th September, 2004

Board of the Company held as many as five meetings in the previous year. The meetings were held on 30th April 04, 30th July 04, 29th October 04, 31st January 05 & 12th March 05. There has not been a gap in excess of four months between any two meetings of the Board of directors. The Board members are provided with the requisite information which are relevant for review by the Board of Directors and the same substantially complies with the requirements of the Code of Corporate Governance.

AUDIT COMMITTEE

(a) Terms of reference and composition, name of members of the committee.

Terms of reference

The role and terms of reference covers areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, beside other terms as may be referred by the Board of Directors, which broadly includes:-

To oversee the Company's financial reporting process and financial information disclosure to ensure that the financial statements are correct, sufficient & credible, to review with the management, the annual financial statements before submission to the Board, external and internal Audit Reports, the adequacy of internal control systems, to review the adequacy and effectiveness of accounting & financial controls of the Company, compliance with the Company's Policies and applicable laws and regulations and recommending the appointment and removal of external auditors, fixation of Audit Terms, compliances with accounting standards and Listing Agreement entered into with the Stock Exchange and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the Internal Auditor any significant findings for follow-up thereon, looking into the reasons for substantial defaults, if any, in payment to the, shareholders (in case of declared dividends) and creditors and reviewing any other areas which may be specified as role of the Audit Committee under amendments, if any, from time to time, to the Listing Agreements, Companies Act and other Statutes.

The minutes of the Committee were placed before the members of the Board, discussed and taken note of.

Composition

The Audit Committee comprises of Mr. Hemant Mansinghka, Mr. J.K. Das, Mr. S. P. Chadha & Mr. K. M. Mathur. Mr. B.P. Saxena resigned from the membership of the committee at the meeting of the Board held on 29th October, 2004 and in his place Sh. J. K. Das was appointed. Statutory Auditors, Internal Auditors are permanent invitees to the Audit Committee. The Company Secretary acts as the secretary of the Committee.