



COMPUTERS LTD

31st Annual Report 2010-2011



# Zenith World

The **Innovation Technology** Group

[www.zenithpc.com](http://www.zenithpc.com)



## **ZENITH COMPUTERS LTD**

### **31<sup>st</sup> Annual Report 2010-2011**

#### **DIRECTORS**

R.K.Saraf  
*(Chairman & Managing Director)*

H.P. Ranina

Vijay R. Mukhi

Vijayrani Saraf

Vipin M. Shah

#### **COMPANY SECRETARY**

Ramesh S. Sanghvi

#### **BANKERS**

Indian Bank

State Bank of India

Federal Bank Ltd

IDBI Bank Ltd

#### **AUDITORS**

C.L.Khanna & Co.,  
Chartered Accountants, Mumbai

#### **REGISTRAR &**

Link Intime India Pvt. Limited,

#### **TRANSFER AGENTS**

C-13, Pannalal Silk Mills Compound  
LBS Marg, Bhandup (West)  
Mumbai 400 078

#### **REGISTERED OFFICE**

B-5, Electronic Sadan - 1,  
MIDC, TTC Area,  
Mahape,  
Navi Mumbai- 400 710

#### **PLANT**

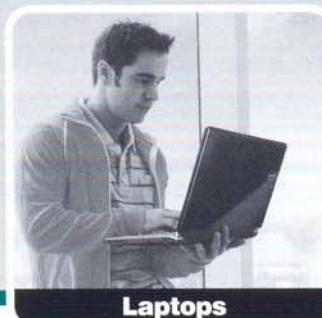
Plot No. P-33/37,  
Sancoale Industrial Estate,  
P.O. Zuari Nagar,  
Goa 403 726





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## NOTICE

**NOTICE** is hereby given that the Thirty First Annual General Meeting of **Zenith Computers Limited** will be held on **Friday, 30<sup>th</sup> September, 2011 at 11.00 a.m.** at Vishnudas Bhawe Natyagruha, Sector 16-A, Vashi, Opp. Vashi Bus Stand, Navi Mumbai – 400 703, to transact the following business :-

### A. ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the audited Balance Sheet as at 31st March, 2011 and the audited Profit and Loss Account for the year ended on that date.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Vijay Mukhi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint the Statutory Auditors and to fix their remuneration.

### B. SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modification, the following resolutions-

#### 5. AS AN ORDINARY RESOLUTION

**"RESOLVED THAT** in accordance with the provisions of Section 256 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Vipin M. Shah be and is hereby appointed as a Director of the Company, whose tenure of office is subject to retirement by rotation."

#### 6. AS A SPECIAL RESOLUTION:-

**"RESOLVED THAT** pursuant to Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the conditions specified in Schedule XIII to the Companies Act, 1956, the Company hereby approves the payment of remuneration to Mr. Raj Kumar Saraf as the Managing Director of the Company for the remaining period of his tenure from 31<sup>st</sup> October, 2010 to 30<sup>th</sup> October, 2012 on terms and conditions set out in the draft Supplemental Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and/or vary the terms and conditions of the said Agreement in such manner,

from time to time as may be agreed to between the Directors and Mr. Raj Kumar Saraf."

**By Order of the Board  
For ZENITH COMPUTERS LIMITED**

**(R. K. SARAF)**

**CHAIRMAN &  
MANAGING DIRECTOR**

**MUMBAI  
20<sup>th</sup> August, 2011**

### NOTES :-

- 1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxy form to be effective must be duly executed and signed and must be lodged at the company's registered office at least 48 hours before the time of the meeting.
- 2) The Register of Members and the Share Transfer Books of the Company would remain closed from, Tuesday, 20<sup>th</sup> September, 2011 to Friday, 30<sup>th</sup> September, 2011 (both days inclusive).
- 3) All matters in connection with the Shares of the Company may be addressed to the Company's Registrar and Transfer Agents viz. M/s. Link Intime India Pvt Ltd, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078. Members are requested to quote their respective folio numbers / ISIN -ID numbers and notify the change of address, if any, to the Company's Registrar and Transfer Agents.
- 4) Shareholders desiring information as regards the accounts are requested to write to the Company at least 10 days before the Annual General Meeting to enable the Management to keep the information ready.
- 5) Shareholders desiring payment of dividend by Electronic Clearing Service (ECS) are requested to furnish the Bank details in the ECS Mandate Form printed overleaf together with a Xerox copy of the cheque leaf and return to our Registrars, Link Intime India Private Limited on or before 15<sup>th</sup> September, 2011, in case you hold shares in physical form. The said details in respect of the shares held in electronic form should be sent to your respective Depository Participant and not to the Registrar as the Registrar is obliged to use only the data provided by the Depository while



making payment of dividend. Please mention the correct 9 digit MICR Code for giving the ECS credit to your account.

In case of receiving your request after the due date, the mandate will not be considered for this dividend. However, the same will be used for future dividend payments, unless the same is amended or revoked by you.

In the absence of adequate response from the shareholders of any particular centre(s), the Company reserves its right of paying the dividend by dividend warrants.

- 6) Item No. 3 – additional information required to be furnished under Clause 49 of the Listing Agreements with the Stock Exchanges:-

Mr. Vijay Ram Mukhi, is a Bachelor of Engineering, aged about 53 years and is Director of one other Company. He was appointed as a Director of the Company in the year 2005 and continues to be a rotational Director. He has over 30 years' wide and varied experience in the field of Information Technology and is considered the 'Guru of Internet', in India.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS**

##### **Item No. 5**

Mr. Vipin Maneklal Shah was appointed as a Director of the Company on 31<sup>st</sup> March, 2009, in the casual vacancy caused by the resignation of Mr. B.H. Antia and would hold that office up to the date of the ensuing Annual General Meeting (AGM). Mr. Vipin Shah, aged about 66 years, is a Chartered Accountant (B. Com., FCA) and has more than 40 years' experience in the industry and in legal, management and accounting matters. He is a Director of 4 other Companies.

The Company has received a notice from a Shareholder, along with the requisite deposit of Rs. 500/-, of his intention to move a resolution for the appointment of Mr. Vipin M. Shah as a Director at the said AGM.

##### **Item No. 6**

Mr. Raj Kumar Saraf was appointed as the Managing Director of the Company for a period of 5 years, from 31<sup>st</sup> October, 2007 to 30<sup>th</sup> October, 2012, on a

remuneration determined at 5% of the net profits of the Company or Rs. 4,00,000/- per month (and Commission @ 1% of the net profits); in case of insufficient or inadequate profits or loss made by the Company in any particular year this remuneration was the minimum remuneration payable to Mr. Saraf; this appointment and the remuneration payable to Mr. Raj Kumar Saraf was confirmed as a Special Resolution by the Shareholders at the 28<sup>th</sup> Annual General Meeting of the Company held on 6<sup>th</sup> September, 2008. The Remuneration Committee of the Board approved the remuneration of Mr. Raj Kumar Saraf of Rs. 4,00,000/- in its meeting held on the 20<sup>th</sup> August, 2011, in accordance with the amended Schedule XIII to the Companies Act, 1956 and the said decision of the Remuneration Committee was confirmed by the Board in its meeting held on the 20<sup>th</sup> August, 2011; the payment of remuneration is now required to be approved as a Special Resolution by the Shareholders in the ensuing 31<sup>st</sup> Annual General Meeting (AGM). The draft Agreement between the Company and Mr. Raj Kumar Saraf, the Managing Director, contains the terms and conditions, the more important of which are as follows :

- (1) Period of Agreement for enhanced remuneration—  
For a period from 31<sup>st</sup> October, 2010 to 30<sup>th</sup> October, 2012.
- (2) Nature of Duties –  
The Managing Director shall carry out such duties as are entrusted to him, subject to the supervision and control of the Board of Directors.
- (3) (A) Remuneration – 5% of the Net Profits of the Company (including commission of 1%) subject to a substantive salary of Rs. 4,00,000/- per month.  
(B) Perquisites: In addition to the above, the Managing Director shall also be entitled to provident fund and superannuation fund benefits, the aggregate of which shall not exceed 25% of the salary, gratuity not exceeding 15 days salary for every completed year of service, 30 days leave for every completed year of service and encashment of leave at the end of the tenure.  
(C) Minimum Remuneration: Notwithstanding anything to the contrary contained herein





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where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the substantive salary and perquisites as specified above.

- (4) The terms and conditions of the said appointment may be altered and/or varied from time to time by the Board as it may, in its discretion, deem fit, in accordance with Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in this regard.
- (5) The Agreement may be terminated by either party giving to the other party three months' notice or by the Company paying three months' remuneration in lieu thereof.
- (6) If the Managing Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Managing Director of the Company.
- (7) The above may be treated as an abstract of the terms and conditions of appointment of Mr. Raj Kumar Saraf as the Managing Director of the Company pursuant to Section 302 of the Companies Act, 1956.

The following additional information, given in accordance with the amended Schedule XIII to the Companies Act, 1956, enables the Shareholders to consider the resolution on merits and decide accordingly at the AGM-

1. **General Information :-** The Company is a Computer hardware Company engaged in the manufacture, distribution, marketing, sale and maintenance of computer hardware products and services. The financial performance of the Company has been according to the expectations of the management. The Company's debt to equity ratio is less than 2:1 as per the norms of the industry and the Company's resources continue to be accessed mainly from the business and internal accruals. The Company has no overseas investments; the export earnings are shown in the audited Accounts for the year ended 31<sup>st</sup> March, 2011.
2. **Information about Mr. Raj Kumar Saraf :-** Mr. Raj Kumar Saraf is B.Com., LLB, is 65 years old

and has over 43 years of extensive exposure and well rounded experience in the area of computer hardware and software products, development and marketing. The Board of Directors considers him to be eminently suitable, based on the job profile, his experience and his knowledge for the post; the Board considers the remuneration payable to him to be based on the trends of executive remuneration packages payable to persons like him in the industry. Mr. Raj Kumar Saraf holds 37,55,621 Equity Shares in the Company (24.25 % of the paid-up Capital) and is related to Mrs. Vijayrani Saraf who holds 10,00,000 Equity Shares (6.44% of the paid-up capital).

3. **Other information :-** The Company has so far not incurred a loss – it is a record of sorts that the Company continues to make profits year after year, despite the sometimes gloomy and hard times of industry cycles; the profits have been as per the Management's expectations despite the erratic business of demand and supply in the industry as a whole both in India and overseas. The Company's management is of the view that these operations would positively impact the financial performance of the Company; the domestic operations of the Company are poised for a 25% growth, both in terms of products and services.
4. **Disclosures :-** The other Directors are paid sitting fees for attending meetings of the Board and / or its Committees. Mr. R.K. Saraf is related to Mrs. Vijayrani Saraf, a Director of the Company; they may be deemed to be concerned or interested in this resolution. None of the other Directors is concerned or interested in the resolution.

The remuneration is payable for a period of 2 years from 31<sup>st</sup> October, 2010 to 30<sup>th</sup> October, 2012 and the same was confirmed by the Board in its meeting held on 20<sup>th</sup> August, 2011, subject, however, to the approval of the Shareholders as a Special Resolution at the ensuing 31<sup>st</sup> Annual General Meeting.

**By Order of the Board  
For ZENITH COMPUTERS LIMITED  
(R. K. SARAF)  
CHAIRMAN &  
MANAGING DIRECTOR**

**MUMBAI  
20<sup>th</sup> August, 2011**

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 31<sup>st</sup> Annual Report and the audited Accounts for the financial year ended 31<sup>st</sup> March, 2011.

(Rs. in Lakhs)

<b>FINANCIAL HIGHLIGHTS</b>	<b>2010-2011</b>	<b>2009-2010</b>
Profit before Taxes	<b>272.32</b>	246.90
Less: Provision for Taxes	<b>45.76</b>	41.96
Profit after taxation available for appropriation	<b>226.56</b>	204.94
Add:Balance brought forward from previous year	<b>42.14</b>	0.21
Amount available for appropriations :	<b>268.70</b>	205.15
<b>Appropriations</b>		
Proposed Dividend	<b>139.33</b>	139.33
Tax on Proposed Dividend	<b>23.14</b>	23.68
General Reserve	<b>NIL</b>	NIL
Balance Profit carried to the Balance Sheet	<b>106.23</b>	42.14

## COMPANY'S ACTIVITIES

Fiscal year 2011 was a year of lower economic growth with demand for the products and services in the Information and Technology sector registering a small growth in volumes but falling prices.

## DIVIDEND

Your Directors recommend payment of Dividend for the year @ 9% (Rs.0.90 per share) in respect of the financial year ended 31<sup>st</sup> March, 2011.

## REVIEW OF OPERATIONS

During the year under review,

- The net sales revenue at Rs. 20,407.05 lakhs, was lower than the previous year. However, during the year the profit before tax has increased to Rs. 272.32 lakhs from the previous year's Profit of Rs. 246.90 lakhs due to the Company's relentless efforts in the cost reduction activities.
- The Company has opted out of the State(s) and Central Governments' business;

- The Company continues to endeavour in maintaining customers to their utmost satisfaction levels by registering impeccable track record of quality and delivery efficiency, thereby ensuring their continued patronage for your company's products and services;
- Further changes and improvisations are under way in the manufacturing process and these changes are in compliance with international requirements;

## PROSPECTS AND OUTLOOK

- The Company's businesses of leasing/renting / hiring of computer systems to small businesses and to corporates have added a revenue stream and contributed to the company's profits.
- Your Directors endeavour is to enhance the Revenue and Profit to higher levels and for this purpose, efforts have been initiated by value addition to products, customers and markets.
- Vigorous marketing efforts and ceaseless cost reduction activities continue with more thrust and vigour to accomplish these goals.





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**Laptops**



**Smart Style PCs**

- The efforts are being intensified to sustain leadership position by constantly upgrading the products to match advancing technology trends, maintaining the superiority in quality, and continuing the unblemished timely service support;
- Your Directors are hopeful that all the above, coupled with continuous monitoring of inventory, receivables and overheads, would result in healthier results during the coming years.

#### **FIXED DEPOSIT**

During the year, the Company has not accepted any fixed deposits under Sections 58A and 58AA of the Companies Act, 1956.

#### **DEMATERIALISATION OF COMPANY'S SHARES**

The Company's Securities continue to be traded in the electronic form only as per the relevant SEBI guidelines.

#### **LISTING OF SHARES ON THE STOCK EXCHANGES**

The Company's Securities continue to be listed on the Bombay Stock Exchange Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai. The Company has paid the requisite Annual Listing Fees for the year 2011-12, to the above Exchanges.

#### **DIRECTORS**

Mr. H.P Ranina resigned as a Director of the Company; the Board of Directors placed on record its appreciation of the valuable advice and contribution of Mr. Ranina during his tenure as a Director of the Company.

In accordance with the Company's Articles of Association and the provisions of the Companies Act, 1956, Mr. Vijay Mukhi retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

Mr. Vipin M. Shah, who was appointed as a Director of the Company on 31<sup>st</sup> March, 2009, in the casual vacancy caused by the resignation of Mr. B.H. Antia, holds the office of the Director up to the date of the ensuing Annual General Meeting. The Company received a notice from a member of the Company of his intention to move a resolution, along with the requisite deposit of Rs. 500/-, for appointing Mr. Vipin Shah as a Director of the Company.

#### **COMMUNITY DEVELOPMENT**

The Company has been promoting and supporting the activities related to community services. The Company continues to focus its efforts towards helping the underprivileged children and schools run by the various institutions of the States and the Center by donating computers and also helping the institutions with financial support.

#### **BUSINESS EXCELLENCE AND QUALITY INITIATIVES**

Your Company had embarked on the excellence journey with the adoption of Zenith Group Excellence Model. The Company is undergoing external assessment process for evaluation of benchmarks for improvement over the previous year.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm:

- (1) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- (2) that 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 ended 31<sup>st</sup> March, 2011 and of the profit of the Company for that year;
- (3) that the Directors have taken proper and sufficient care for the maintenance of adequate 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; and
- (4) that the Directors have prepared the annual accounts on a going concern basis.

#### **CORPORATE GOVERNANCE**

The Company has complied with the requirements of Corporate Governance, as applicable to the Company, during the period under report, as per the amended Listing Agreements with Stock Exchanges. The Report on Corporate Governance with the Auditors' Report thereon, is annexed hereto in accordance with Clause 49 of the Listing Agreements with the Stock Exchanges.



## AUDITORS

M/s.C.L.Khanna & Company, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, retire at ensuing Annual General Meeting and are eligible for re-appointment.

## EMPLOYEES

Relations between the management and its employees have been cordial. Your Directors place on record their appreciation of the efficient and loyal services rendered by the employees of the Company at all levels.

The Company did not have any employee(s) during the year or part of the year drawing remuneration specified in the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is appended hereto as an Annexure and forms part of this Report.

## ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the support received from the Company's Bankers and Shareholders and look forward to their continued support and goodwill.

By Order of the Board

MUMBAI  
20<sup>th</sup> August, 2011

**RAJKUMAR SARAF**  
Chairman &  
Managing Director

## ANNEXURE 'A' TO THE DIRECTORS' REPORT PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 IN RESPECT OF THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2011.

- Conservation of Energy :** Though the Company's manufacturing operations are not power intensive, regular and preventive maintenance of all equipment is undertaken by the Company.
- Technology Absorption :** Form B enclosed.
- Foreign Exchange Earnings and Outgo :**

**Rs. in Lakhs**

Total foreign exchange used and earned

- Expenditure in foreign currency 8,522.93
- Foreign Exchange earned NIL

## FORM B

### Form of disclosure of particulars with respect to absorption

- Specific areas in which R & D carried out by the Company :  
Designing / development of state-of-art systems, import substitution, technology upgradation. Upgradation of products and quality enhancement. Development and evaluation of alternate raw materials.
- Benefits derived as a result of the above R & D :  
Cost reduction, product improvement, import

substitution and effective time management.

- Future plan of action :  
Development of new products and enhancing market revenues by upgrading existing spectrum of products.
- Expenditure in R & D : **Rs. in Lakhs**

a. Capital	NIL
b. Recurring	21.68
c. Total	21.68
d. Total R & D expenditure as a percentage of total turnover	0.11%

## TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION

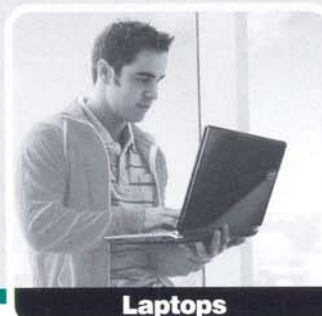
- Efforts, in brief, made towards technology absorption, adaptation and innovation :  
Introduction of All-in-one PC and Touch Panel LCD Monitor for Industrial and Commercial applications towards improvement of efficiency and productivity.
- Benefits derived as a result of the above efforts :  
On going
- Imported Technology : None

By Order of the Board

MUMBAI  
20<sup>th</sup> August, 2011

**RAJKUMAR SARAF**  
Chairman &  
Managing Director





## CORPORATE GOVERNANCE REPORT

### Company's Philosophy on Corporate Governance

As part of the Zenith Group, the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair and transparent governance practices. The Corporate Governance philosophy has been further strengthened with the adoption by the Company of the Zenith Business Excellence Model and Zenith Code of Conduct and the adoption of the requirements under Clause 49 of the Listing Agreement with the Stock Exchanges.

#### I. Board of Directors

##### (A) Composition of Board

The present Board consists of one Executive Director and four Non-Executive Directors. Out of the Non-Executive Directors, three are Independent Directors and the other Director represents the Promoters. The Non-Executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment to the deliberations and decisions of the Board. Apart from the sitting fees paid for attending Board/Committee Meetings, the Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company during the year 2010-11.

The Company has the Executive Director as the Chairman. The number of Independent Directors is more than one-third of the total number of Directors. The Company meets the requirements relating to the composition of Board of Directors.

##### (B) Non Executive Directors' compensation and disclosures

The Non Executive Directors of the Company are paid sitting fees as fixed by the Board of Directors within the limits prescribed under the Companies Act, 1956. No stock options were granted to Non Executive Directors or Independent Directors during the year under review.

##### (C) Other provisions as to Board and Committees

During the year 2010-11, 4 meetings of the Board of Directors were held on 29<sup>th</sup> May, 2010, 31<sup>st</sup> July, 2010, 13<sup>th</sup> November, 2010 and 12<sup>th</sup> February, 2011.

The 30<sup>th</sup> Annual General Meeting of your Company was held on 7<sup>th</sup> August, 2010, the Company did not hold any Extra-ordinary General Meeting.

None of the Directors of the Board serve as Members of more than 10 committees nor do they chair more than 5 committees, as per the requirements of the Listing Agreement. The detailed information is given in the table:

Sr. No.	Name of Director	Category	Board Meetings attended during the year	Attendance at the 30 <sup>th</sup> AGM held on 07.08.2010	No. of other Directorships	No. of Memberships of Board Committees of all Companies	No. of Board Committees of which the Director is a Chairperson in all companies
1.	Mr. Rajkumar Saraf	Chairman and Managing Director (Executive)-Promoter	4	Yes	11	9	2
2.	Mr. H.P. Ranina	Non-Executive	4	Yes	3	Nil	Nil
3.	Mr. Vijay Ram Mukhi	Non-Executive	4	Yes	1	8	4
4.	Mrs. Vijayrani Saraf	Non-Executive - Promoter	4	Yes	3	1	Nil
5.	Mr. Vipin Maneklal Shah	Non-Executive	4	Yes	4	6	2



**(D) Code of Conduct**

- (i) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is applicable to the Managing Director (including Senior Management Personnel of the Company) and Non Executive Directors of the Company. The code also governs all the employees of the company.
- (ii) The Members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended March 31, 2011.

**II. Audit Committee**

**(A) Qualified and Independent Audit Committee**

The Company complies with the provisions of Section 292A of the Companies Act, 1956 as well as requirements under the listing agreement pertaining to the Audit Committee. Its functioning is as under:

- (i) The Audit Committee consists of three directors as members two of whom are Independent Directors.
- (ii) All members of the Committee are financially literate. The members carry with them the expertise in their individual fields of Finance, Accounts, I.T., Legal etc. While one member is a Chartered Accountant, the other member is a Commerce and Law graduate.
- (iii) The Chairman of the Audit Committee is an Independent Director.
- (iv) The Chairman of the Audit Committee was present at the last Annual General Meeting.
- (v) The Chief Financial Officer, internal auditors and the representatives of the Statutory Auditors and such other officials of the Company are invited to attend the Audit Committee meetings as and when required.
- (vi) The Company Secretary acts as the Secretary to the Committee.

**(B) Meetings of Audit Committee**

During the year, 4 Audit Committee meetings were held on 29<sup>th</sup> May, 2010, 31<sup>st</sup> July, 2010, 13<sup>th</sup> November, 2010 and 12<sup>th</sup> February, 2011. The Audit Committee meetings are held at the office of the Chairman of the Audit Committee.

The Composition of the Audit Committee and number of meetings attended by the Members are given below:

Name of Member	Composition of the Audit Committee	Number of meetings attended
Mr. Vijay Ram Mukhi	Chairman	4
Mr. Raj Kumar Saraf	Member	4
Mr. Vipin Manekalal Shah	Member	4

All the Members were present in all the meetings of the Audit Committee.