



**SVC
SUPERCHEM
LIMITED**

**ANNUAL REPORT
2007-2008**

SVC SUPERCHEM LIMITED

BOARD OF DIRECTORS

Mr. Suresh V. Chaturvedi - Director

Mr. I. G. Mehrotra - Director

Dr. P. P. Shastri - Nominee Director - UTI

Mr. Jaffar Imam - Director

Mr. A. R. Sekar - Nominee Director - GIC

Mr. G. S. Dahotre - Director

Mr. G. S. Tiwari - Wholetime Director

AUDITORS

M/s. E. M. Chaturvedi & Co., Chartered Accountants, Mumbai.

BANKERS

Bank of India

State Bank of India

Central Bank of India

The Jammu & Kashmir Bank Ltd.

IndusInd Bank Limited

Dena Bank

State Bank of Travancore

State Bank of Bikaner & Jaipur

Canara Bank

REGISTERED OFFICE

Phiroze Mansion, 2nd Floor, 4 Steven's Street, Apollo Bunder,
Colaba, Mumbai - 400 039.

PLANT

Chhata - Barsana Road, Chhata, Dist. Mathura (U. P.)

**NOTICE**

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of SVC Superchem Limited will be held on Monday 29th September, 2008 at 11.00 a.m. at Indian Merchants' Chamber, Walchand Hirchand Hall, 4th Floor, LNM IMC Bldg., Churchgate, Mumbai- 400 020 to transact the following business: -

ORDINARY BUSINESS: -

1. To receive, consider and adopt the audited Statement of Accounts for the financial year ended 31st March, 2008 and the Balance Sheet as at that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. G.S. Tiwari, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. B.M. Chaturvedi & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS: -

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

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the limits prescribed in Schedule XIII to the said Act, and subject to the approval of the Central Government, if any, required, the Company hereby approves the re-appointment and remuneration payable to Shri G.S. Tiwari, as a Wholetime Director, of the Company for a period of two years with effect from 1st August, 2008, on the terms and conditions including remuneration as are set out in the Agreement to be entered into between the Company and Shri G.S. Tiwari, copy of which is kept for inspection at the Registered Office of the Company and are hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said draft agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force or any amendments or modification(s) that may hereafter be made hereto by the Central Government), as may be agreed to between the Board of Directors and Shri G.S. Tiwari.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term of office of Shri G.S. Tiwari, as a Wholetime Director the aforesaid salary and all other remuneration, benefits and amenities as set out in the aforesaid draft agreement be paid to Shri G.S. Tiwari, as minimum remuneration notwithstanding that the same may be in excess of percentage limitations laid down in Section 309(3) and Section 198 (1) of the Companies Act, 1956 and subject to compliance with the applicable provisions of schedule XIII to the Act and if and to the extent necessary, with the approval of Central Government.

RESOLVED FURTHER THAT the Board of Directors be

and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For SVC SUPERCHEM LIMITED

G. S. TIWARI
Wholetime Director

Registered Office:

Phiroze Mansion, 2nd Floor,
4 Steven's Street, Apollo-Bunder,
Colaba, Mumbai 400 039.

Place : Mumbai

Dated : 29th July, 2008

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from 16th September, 2008 to 29th September, 2008 (both days inclusive).
4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Sundays between 11.00 a.m. and 3.00 p.m. upto the date of the Annual General Meeting.
5. The Members/ Proxies are requested to bring their attendance slip duly filled along with the copy of Annual Report to the Meeting.
6. Members are requested to notify to the Company any change in their addresses specifying full address in block letters with pin code of the post office and their Folio No.
7. Non-Resident members are requested to submit their mandate, if not already submitted.
8. Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. Members who hold the shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
10. In case of joint holders, attendance the meeting, only such joint-holder who is higher in the order of names will be entitled to vote.
11. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

EXPLANATORY STATEMENT

(as required under section 173 of the Companies Act, 1956)

The following explanatory statement sets out all material facts relating to item no. 4 mentioned in the accompanying notice dated 29th July, 2008.

Item No. 4

By resolution passed on 29th July, 2008 Mr. G. S. Tiwari was re-appointed by the Board of Directors, as whole time Director of the Company subject to approval of the Members in General Meeting for a further period of 2 years with effect from 1st August, 2008. The Board considers that in view of his knowledge and experience, the re-appointment of Mr. G. S. Tiwari is in the interest of the Company. Mr. G. S. Tiwari aged about 61 years, is Graduate in Mechanical Engineering, Calcutta in the year 1975. He began his career with Fertilizer Corporation of India Limited in the year 1968 as an Assistant Foreman. He could achieve the target of Dy. Chief Engineer in a very short span of time due to his hard effort and excellent performance. He was associated with FCI for almost 31 years. Thereafter he joined SVC as Manager (Mechanical) in the year 1997.

During his tenure as Manager / Sr. Manager (Mechanical) has successfully handled all the assignments entrusted to him in areas like erection, trial run, commissioning & maintenance of entire plant and machinery, dealing with Govt. Depts., Local authorities, etc. In appreciation of his services the management of the Company promoted him to the post of General Manager in the year 2003. He has been associated with the Company for past 11 years.

The agreement entered into by the Company with Mr. G. S. Tiwari and reconsideration of the performance of his duties as Whole-time Director, the Company shall pay the following emoluments, benefits and perquisites, subject to the limits laid down under schedule XIII of the Companies Act, 1956 :

1. Salary Rs. 2,40,000/- p.a., with such annual increment as may be determined by the Board of Directors, from time to time. The salary is subject to deduction as per the Income tax Act, 1961.
2. In addition to the aforesaid salary, Mr. G.S. Tiwari shall be entitled to perquisites like furnished accommodation or House Rent Allowance in lieu thereof, Car expense reimbursement, Telephone / Mobile expense reimbursement, medical reimbursement and leave travel concession for self and family, etc. in accordance with the rules of the Company, the monetary value of such perquisites being limited to Rs. 3,02,160 p.a. The perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.
3. Mr. G.S. Tiwari shall not, except in the proper course of his duty during the continuance of his employment hereunder or any time thereafter, divulge or disclose to any person whomsoever or make any use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him during his employment, as to the business and/or affairs of the Company and/or the knowhow, technology, method, machines, compositions, knowledge, information and other data, trade secrets, formulae and process of manufacturing of various products by the Company and/or list of Company's customers and suppliers all of which information is or may be confidential with the exception of any information generally made available to the public or make or take copies of the manual, tracings, blue prints, drawings, books, papers containing such confidential information without proper authority taken prior to making or taking copies, such copies may contain the whole information or substantially similar information from the original manual, tracings, drawings, blue prints, papers containing such confidential information without proper authority taken to making or taking copies, such copies may contain the whole information or substantially similar information from the

original manual, tracings, drawings, blue prints, papers, books, etc. Shri G. S. Tiwari shall, during the continuance of his employment hereunder, also use his best endeavours to prevent any other person publishing or disclosing such confidential information, provided however, that any such divulgence or disclosures by Shri G. S. Tiwari to officers and employees of the Company solely for the purpose of the business of the Company shall not be deemed to be a contravention of this clause.

4. All notes, books, papers, memorandum and other documents or any trade secrets or confidential information concerning the business of the Company which shall be acquired, received or made by Shri G.S. Tiwari during the course of his employment hereunder and/or incidental to his employment, shall be the property of the Company and shall be surrendered by Shri G.S. Tiwari to someone duly authorized in that behalf at the termination of his employment or at the request of the Board (or any other designated persons) at the time during the course of his employment.

The above shall be treated as an abstract of the terms of contract / appointment between the Company and Mr. G.S. Tiwari pursuant to section 302 of the Companies Act, 1956.

The agreement entered into between the Company and Mr. G. S. Tiwari is available for inspection at the Registered Office of the Company on any working day excluding Saturdays upto the date of the ensuing Annual General Meeting between 11.00 a.m. and 3.00 p.m.

The Directors recommend the resolution sent out in item no. 4 of the notice for the approval of the shareholders. Mr. G.S. Tiwari is deemed to be concerned or interested in the resolutions set out at item no. 4 of the notice as this pertains to his appointment and remuneration payable to him.

The Board recommends the Resolution set out at item No.4 of the notice for your approval.

By Order of the Board of Directors
For SVC SUPERCHEM LIMITED

G. S. TIWARI
Wholtime Director

Registered Office :
Phiroze Mansion, 2nd Floor,
4 Steven's Street, Apollo Bunder,
Colaba, Mumbai 400 039.

Place : Mumbai
Dated : 29th July, 2008

**INFORMATION REQUIRED TO BE FURNISHED UNDER
CLAUSE 49 OF THE LISTING AGREEMENT:-**

A Name	Mr. G. S. Tiwari
Age	61 Years
Qualifications	Graduate in Mechanical Engineering
Expertise	In the areas like erection, trial run, commissioning and maintenance of entire plant and machinery.

Other Directorships:

Sr. No.	Name of the Company	Committee	Board
Nil		Nil	Nil

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the Seventeenth Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2008.

ACCOUNTS

As no decision could be taken till date by the lenders of the Company, the Company had no manufacturing, trading or service activities for the financial year ended 31st March, 2008 also and as such no Profit & Loss Account has been prepared for the above financial year and all the expenditure incurred has been shown as project / other expenses to be capitalised at a later date.

PROJECT

SVC Superchem Limited's Purified Terephthalic Acid (PTA) plant is located at Chhata near Mathura, Uttar Pradesh. The plant has a capacity of 1,20,000 TPA PTA. Company's plant under construction after initial trial run has been shut down since September, 2000 and was not mothballed. Your promoter has put Rs. 1911.68 lacs to protect the plant and the Company since then, during the year itself promoter has brought Rs. 651 lacs in the Company for this purpose. After the failure of CDR proposal, the Company has submitted the revised minimum requirement proposal, which the lenders did not respond, for a considerable long period.

Above 26% of loan portfolio has been sold by certain lenders to foreign investment institutions while another 20% portfolio of loan has been sold to some assets reconstruction Company in full and final recovery of these dues without consulting and informing the Company about the details of such transfer. In order to protect the interest of all other shareholders, Company has challenged the said transfer while filing writ in the Allahabad High Court.

FIXED DEPOSITS

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder.

STATUTORY DUES

The statutory dues as mentioned by the Auditors' in their Report could not be paid on due date due to paucity of funds, but as on date of signing of the Balance Sheet, the Company has deposited all its statutory dues except as pointed out by the Auditors in Point IX of the Auditors Report.

PERSONNEL

There is no employee covered pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies

(Particulars of Employees) Rules, 1975 as amended. Hence, no particulars are given.

DIRECTORS' RESPONSIBILITY STATEMENT

As required u/s 217 (2AA) of the Companies Act, 1956, the Directors confirm;

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departure.
- II. That the Directors had selected such accounting policies and applied them consistently except for the non-provision of interest on all secured loans as mentioned in Note No. B-19 of Schedule H forming part of the Balance Sheet and made judgements 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.
- 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. That the Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

The tenure of Shri G. S. Tiwari as Whole-time Director of the Company shall expire on 31st July, 2008 and he has expressed his willingness to be re-appointed for the next term of 2 years. Shri Rattan Singh was nominated on Board in place of Shri A. K. Sharma w.e.f. 27th July, 2007. Whereas nomination of Shri Rattan Singh was finally withdrawn w.e.f. 04th December, 2007. Dr. P. P. Shastri was nominated on Board in place of Shri R. K. Biswal w.e.f. 23rd April, 2008. The Board wishes to place on record its deep gratitude for their valued services rendered to the Company during their tenure as Nominee Directors.

Shri. G. S. Tiwari, Wholetime Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

CORPORATE GOVERNANCE

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance, in terms of Clause 49 to the Listing Agreements with Stock Exchange, are complied with. A separate report on Corporate Governance is being incorporated as a part of the Annual Report along with a certificate from the Auditors of the Company regarding Compliance of the conditions of



Corporate Governance which is annexed to the Directors' Report.

SECRETARIAL AUDIT

As directed by the Securities and Exchange Board of India (SEBI), Secretarial Audit is being carried out at the specified periodicity by the practicing Company Secretary. The findings of the Secretarial Audit were regularly taken at the Board Meeting, besides submitting it to the Stock Exchange.

CODE OF CONDUCT

The Board of Directors has adopted the Code of Ethics and Business for the Non-Executive Directors as also for the employees including Managing Director / Whole-time Director and other Members of Senior Management. The said code has been communicated to all the Directors and Members of the Senior Management.

CEO / CFO CERTIFICATION

As per Sub-clause VIII of Clause 49 of the Listing Agreement, the Company has obtained the CEO / CFO Certification taken on record at the Board meeting held on 29th July, 2008 for the financial year ended 31st March, 2008.

INSIDER TRADING

As directed by the Securities and Exchange Board of India (SEBI), your Company has adopted the Code of Insider Trading. The disclosures obtained under the code are submitted to the Bombay Stock Exchange, Mumbai from time to time. The Company regularly follows the system of Share Trading Window mechanism as per the Insider Regulation.

AUDITORS

M/s B. M. Chaturvedi & Co., Chartered Accountants, the Company's Auditors, retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to act as Auditors of the Company if re-appointed and have confirmed that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956.

The comments by the Auditors in their report are self-explanatory and, in the opinion of the Board, do not require any further clarification.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company has taken sufficient care in the technical design of your PTA plant to optimize the energy consumption to the maximum. After achieving commercial production, based on our actual experience, improvements to the process and technology will be made through our

Technical Services and R & D Departments towards further optimization.

FOREIGN EXCHANGE EARNINGS & OUTGO

The Company has not utilized any foreign exchange and has not earned any foreign exchange during the financial year ended 31st March, 2008.

DEMATERIALISATION OF SHARES

As part of its efforts to provide better investor services, your Company has admitted its equity in the Depository System of the National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and has offered investors the facility to hold the shares in electronic form and enter into script less trades. Your Company has always paid utmost attention to improve investor's relationship. As on 30th June, 2008, approx. 71.80 % of the total shares of the Company has already been dematerialised.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere thanks for the co-operation and support received from various agencies of the Central and State Governments as also Multilateral Development and Financial Institutions and Banks, all Shareholders and Creditors.

Your Directors also take this opportunity to place on record their appreciation of the dedication and sense of commitment shown by the officers and employees at all levels.

For and on behalf of the Board For and on behalf of the Board

Suresh V. Chaturvedi
Promoter Director

G.S. Tiwari
Wholetime Director

Place : Mumbai.
Date : 29th July, 2008.

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

World consumption of Terephthalic acid (TPA) has grown at an average annual rate of more than 6%, driven by great demand for textile fibers and PET bottles. Fast population growth, combined with the replacement of cotton as textile raw material, has prompted brisk demand for polyester fibers in China and Southeast Asia. In North America and Europe, TPA demand has been driven mainly by applications in the bottle and container markets, where glass has been largely replaced by lightweight PET bottles.

OUTLOOK

Purified Terephthalic Acid (PTA) is primarily used in polyester production with polyester fibre consuming a large proportion of global output. However, polyethylene terephthalate (PET) resin production for packaging and film applications is growing very rapidly due to its success in penetrating the soft drinks and water bottles market. Worldwide around 65 % of PTA goes into polyester fibre, 27% to PET bottles resin and the remaining 8 % to film and other plastic end uses.

OPPORTUNITIES & THREATS

Nearly all Purified Terephthalic acid (PTA) is consumed in polyester production including polyester fibre, Polyethylene Terephthalate (PET) bottle resin and polyester film. The growth in PTA consumption has been driven by strong polyester fibre and PET bottle resin demand. Global polyester demand has grown by an average of 6.7% per year. A major challenge facing the PTA industry is the growing overcapacity caused by the huge capacity additions being implemented in China. These expansions will impact the global supply/demand balance with surplus PTA capacity sharply increasing by 2009.

The Company's plant under construction has been shut down since, September, 2000 and was not mothballed. With the passage of time, in spite of regular maintenance by the Company and in absence of any operation since then, slowly the corrosion is taking place in the plant due to climatic and cyclonic conditions in the area. Due to lack of support from the certain lenders the Company could not commence the production.

Above 26% of loan portfolio has been sold by certain lenders to foreign investment institutions while another 20% portfolio of loan has been sold to some assets reconstruction Company in full and final recovery of these dues without consulting and informing the Company about the details of such transfer. In order to protect the interest of all other shareholders, Company has challenged the said transfer while filing writ in the Allahabad High Court.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established an appropriate system of internal control to ensure that there exist a proper control over all the transactions and that all its assets are properly safeguarded and not exposed to risk arising out of unauthorized use or disposal.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Relation with the employees remained cordial in general throughout the year. As on 31st March, 2008 employee strength has been reduced to bear minimum requirement in view of non-operation of the plant.

For and on behalf of the Board For and on behalf of the Board

Suresh V. Chaturvedi
Promoter Director

G.S. Tiwari
Wholetime Director

Place : Mumbai.

Date : 29th July, 2008.

ANNEXURE- I TO DIRECTOR'S REPORT
REPORT ON CORPORATE GOVERNANCE

The Company has complied fully with all the mandatory requirements of Corporate Governance in all material aspects pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance for the period ended 30th June, 2008 is given below:-

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company firmly believes in transparency in its dealings and lays emphasis on integrity and regulatory compliance, which aims to maximize employee and shareholder value. The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving shareholder's long term value growth through Service, Values & Commitment. As shareholders across the globe evince keen interest in the practice and performance of Companies, Corporate Governance has emerged on the centre stage. The Company is committed to good governance practices that create long term sustainable shareholder value. The Company's corporate governance is based on the following main principles:

During the period under report, 6 Board Meetings were held on 30th April, 2007, 27th July, 2007, 26th September, 2007, 31st October, 2007, 28th January, 2008 and 24th April 2008.

Name of the Directors	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM	Other Directorship	Membership / Chairmanship of Committees of Board
Mr. Suresh V. Chaturvedi	Promoter Director, Non Independent, Non-Executive	6 / 6	Present	5	Chairman of Finance and Share Transfer & Grievance Committee
Mr. G. S. Dahotre	Independent Non-Executive	5 / 6	Present	Nil	Member of Share Transfer Grievance, Remuneration & Chairman of Project Management & Audit Committee.
Mr. Jaffar Imam	Non-Independent Non-Executive	6 / 6	Present	3	Member of Finance, Remuneration and Share Transfer & Grievance Committee
Mr. I. G. Mehrotra	Independent Non-Executive	3 / 6	Present	Nil	Member of Project, Audit and Remuneration Committee
Mr. A. R. Shekar	Independent Non-Executive Nom. of GIC	3 / 6	Present	3	---
Mr. A. K. Sharma*	Independent Non-Executive Nom. of IFCI	0 / 1	N.A.	2	Member of Project and Audit Committee Meeting.
Mr. R. K. Biswal \$	Independent Non-Executive Nom. of UTI	3 / 5	Present	Nil	Member of Audit and Project Management Committee.
Mr. G. S. Tiwari	Wholtime Director	5 / 6	Present	Nil	---
Mr. Rattan Singh#	Independent Non-Executive Nom. of IFCI	2 / 3	Present	Nil	Member of Audit & Project Management Committee
Dr. P. P. Shastri	Independent Non-Executive Nom. of UTI	0 / 1	N.A.	1	Member of Audit & Project Management Committee

* Shri Rattan Singh was nominated in place of Shri A.K. Sharma w.e.f 27th July, 2007. # The nomination of Shri Rattan Singh was withdrawn w.e.f. 04th December, 2007. \$ Dr. P.P. Shastri was nominated in place of Shri R.K. Biswal w.e.f 23rd April, 2008.

3. AUDIT SUB COMMITTEE:

The Company has a qualified and independent Audit Sub-committee comprising of three Non-Executive Independent Directors. The Terms of Reference of the Committee are in consonance with provisions of Section 292A of the Companies

- Constitution of a Board of Directors of appropriate Composition, size, varied expertise and commitment to discharge their responsibilities and duties.
- Ensuring timely flow of information to the Board and its Committee to enable them discharge their functions effectively.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders.

2. BOARD OF DIRECTORS

a) Composition : [as on 30th June, 2008]

The strength of the Board is seven Directors. The Board comprises of Executive, Non-Executive and Nominee Directors as under:

- 3 Non-Executive Directors,
- 2 Nominee Directors,
- 1 Executive Director and
- 1 Promoter Director.

The Non-Executive Directors bring independent judgments in the Board's deliberations and decisions.

b) Attendance of each Director at the Board Meeting / AGM and other Directorships/Memberships of Committees:

Act, 1956 and Clause 49 of the Listing Agreement.

During the period ended 30th June, 2008, 3 meetings of the Audit Sub Committee were held, the dates being 30th April, 2007, 27th July, 2007 and 24th April, 2008. The attendance of each member of the Committee at the meeting is as under:-

Name of Directors	Status	No. of meetings attended
Mr. G. S. Dahotre	Independent, Non-Executive	3 / 3
Mr. R. K. Biswal	UTI-Nominee Director	2 / 2
Mr. A. K. Sharma*	IFCI - Nominee Director	0 / 1
Mr. I. G. Mehrotra	Independent, Non-Executive	1 / 1
Mr. Rattan Singh#	IFCI - Nominee Director	0 / 1
Dr. P. P. Shastri	UTI - Nominee Director	0 / 1

* The Audit Sub-committee was re-constituted on 27th July, 2007 inducting Shri Rattan Singh in place of Shri A.K. Sharma#. The nomination of Shri Rattan Singh was withdrawn w.e.f 04th December, 2007 and Shri I.G. Mehrotra was inducted in his place w.e.f 28th January, 2008. The Audit Sub-committee was re-constituted again on 24th April, 2008 inducting Dr. P.P. Shastri in place of Shri R. K. Biswal.

The Audit Sub Committee Meeting for the quarter ended 30th September, 2007 and 31st December, 2007 could not be held due to non availability of quorum.

4. INVESTORS / SHAREHOLDERS' GRIEVANCE COMMITTEE

The Company has a three member Investors / Shareholders Grievance Committee of the Board of Directors to specifically look into the redressal of grievances of the investors. The Committee deals with grievances relating to transfer of shares, non receipt of Balances Sheet or dividend, complaint letters received from Stock Exchanges, SEBI etc. The Board of Directors has delegated power of approving transfer / duplicate / name deletion / transmission of shares to a Share Transfer Committee. During the period ended 30th June, 2008, the Committee met 25 times. The details of the members and their attendance are as follows:-

Name of Directors	No. of meetings attended
Mr. Suresh V. Chaturvedi	25 / 25
Mr. G. S. Dahotre	12 / 25
Mr. Jaffar Imam	25 / 25

5. REMUNERATION COMMITTEE

The Remuneration Committee of the Company consists of Mr. Jaffar Imam-Director, Mr. I. G. Mehrotra-Director and Mr. G. S. Dahotre- Director. The Committee met on 27th July, 2007 to approve the remuneration payable to Mr. G. S. Tiwari on re-appointed by the Board of Directors. All the three members were present for the meeting.

6. FINANCE COMMITTEE

The Finance Committee of the Board deals with special matters relating to finance and banking of the Company. During the period ended 30th June, 2008 the Committee met twice on 31st October, 2007 and 31st January, 2008. The existing members of the Committee are Mr. Suresh V. Chaturvedi, Mr. G. S. Dahotre and Mr. Jaffar Imam.

7. PROJECT MANAGEMENT COMMITTEE

The Project Management Committee monitors the day-to-day progress of the project. During the period ended 30th June, 2008 the Committee met 4 times, on 30th April, 2007, 27th July, 2007, 31st October, 2007 and 24th April, 2008. The details of the members and their attendance are as follows:-

Name of Directors	No. of meetings attended
Mr. G. S. Dahotre	4 / 4
Mr. A. K. Sharma*	0 / 1
Mr. R. K. Biswal	2 / 3
Mr. Rattan Singh#	1 / 2
Mr. I. G. Mehrotra	1 / 1
Dr. P. P. Shastri	0 / 1

* The Project Management Committee was re-constituted on 27th July, 2007 inducting Shri Rattan Singh in place of Shri A. K. Sharma. # The nomination of Shri Rattan Singh was withdrawn

w.e.f 04th December, 2007 and Shri I. G. Mehrotra was inducted in his place. The Project Management Committee was re-constituted again on 23rd April, 2008 inducting Dr. P. P. Shastri in place of Shri R. K. Biswal.

The Project Management Committee Meeting for the quarter ended 31st December, 2007 could not be held due to non availability of quorum.

8. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at Indian Merchant Chambers (IMC), IMC Bldg., Churchgate, Mumbai - 400 020 as under:-

Year	Location	Date & Time
2003-2004	IMC	21.03.2005 11.00 a.m.
2004-2006	IMC	18.09.2006 11.00 a.m.
2006-2007	IMC	26.09.2007 11.00 a.m.

9. REMUNERATION OF DIRECTORS

During the financial year ended 31st March, 2008, the remuneration paid to Mr. G. S. Tiwari as the Whole-time Director is Rs. 2,40,000.00 and perquisites Rs. 2,95,645.00 (Subject to deduction of tax at Source).

a) The details of sitting fees paid to Non-Executive Directors during the financial year ended 31st March, 2008 (excluding reimbursement of travel and other expenses incurred for the Company's business) are given below :-

Names of Directors	Sitting fees
Shri Suresh V. Chaturvedi	5000
Shri Jaffar Imam	5000
Shri G. S. Dahotre	4000
Shri I. G. Mehrotra	2000
Shri A.R. Sekar - Nominee of GIC	2000
Shri R. K. Biswal - Nominee of UTI	3000
Shri Rattan Singh - Nominee of IFCI	2000
TOTAL	23000

b) The Company has paid Rs. 1,12,000.00 to Shri Jaffar Imam, Director towards Professional Charges during the financial year ended 31st March, 2008 subject to deduction of tax at source.

10. DISCLOSURES

a) During the year, there were no transactions of material nature with the Directors or the Management or relatives of the Directors of the Company. Except as shown in schedule H to note no. B-21 regarding related party disclosures.

b) There are no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

11. MEANS OF COMMUNICATION

a) The Status of the Project is published in the leading newspapers every quarter.

b) Annual Report is mailed to all the shareholders of the Company.

12. GENERAL SHAREHOLDERS' INFORMATION:

● Annual General Meeting

◆ Date and time Monday 29th September, 2008 at 11.00 a.m.

◆ Venue Indian Merchants' Chamber, Walchand Hirachand Hall, 4th Floor, LNM IMC Bldg, Churchgate, Mumbai 400 020

● Book Closure dates 16th September, 2008 to 29th September, 2008 (both days inclusive)

