

POLAR INDUSTRIES LIMITED

3 Audit Committee

The Audit Committee has been constituted on 27th March 2001 comprising of three Non Executive Directors viz Shri O P Shroff Chairman Shri Sunil Agarwal and Shri Ramesh Kumar Jain. The constitution of Audit Committee also meets the requirement under Section 292A of the Companies Act 1956.

Terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchanges that inter alia include overseeing financial reporting processes reviewing with the management the financial statements and adequacy of internal control systems reviewing the adequacy of internal audit function and discussion with Internal Auditors on any significant findings.

The Committee met for the first time on 30th July 2001 in which Shri O P Shroff and Shri Ramesh Kumar Jain were present.

4 Remuneration Policy

The remuneration policy of the Company for managerial personnel is based on track record potential and performance of individual managers. The remuneration of directors is decided by the board of directors as per the remuneration policy of the Company within the ceiling fixed by the shareholders.

The aggregate value of salary perquisites and commission paid for the 9 months ended on 31 3 2001 to wholetime directors is as follows: Shri Anil Agarwal Rs 8.73 lacs Shri M K Rustagi – Rs 6.14 lacs and Shri Ashok Tibrewala – Rs 5.55 lacs.

The Company has paid during 9 months period ended 31 3 2001 sitting fees to the Non Executive Directors as follows: Shri Sunil Agarwal – Rs 1500/ Shri N G Khaitan – Rs 1000/ Shri Ramesh Kumar Jain – Rs 500/ Shri O P Shroff – Rs 500/ and Shri N C Gupta – Rs 1000/.

5 Share Transfer and Shareholders Grievance Committee

The Company has a Share Transfer and Shareholders Grievance Committee comprising of Shri Sunil Agarwal Chairman of the Committee Shri M K Rustagi and Shri Ashok Tibrewala. The Committee attends to expedite the process of share transfers issue of duplicate certificates and certificates after split/consolidation and rematerialisation. Shareholders Grievance like delay in transfer of shares non receipt of Balance Sheet etc. The Committee oversees the performance of Registrar and Transfer Agents and recommends measures for overall improvement in investors services. The Board has designated Shri Ashok Tibrewala Director cum Secretary as the Compliance Officer.

The Company has received 35 complaints from shareholders during the period under review out of which 5 remained unresolved as on 31 3 2001 and the same have been replied properly on 6th April 2001. There was no pending share transfer as on 31 3 2001.

6 General Body Meeting

The last three Annual General Meetings were held at Merchants Chamber of Commerce 15B Hemanta Basu Sarani Kolkata – 700 001 as per details given below:

Year 1997 1998	Date 30 12 1998	Time 10 A M
Year 1998 1999	Date 28 12 1999	Time 10 A M
Year 1999 2000	Date 27 03 2001	Time 10 A M

No postal ballots were used for voting at these meetings in respect of special resolution passed as there were no provisions in the Companies Act 1956. The Company shall comply with the requirements relating to postal ballots as and when applicable.

7 Disclosure

a Related Party Transactions

The Company has not entered into any transaction of a material nature with the promoters the Directors or the management their subsidiaries or relatives etc that may have any potential conflict with the interests of the Company.

b Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI of any other statutory authorities relating to the above.

8 Means of communication

i Half yearly report

The half yearly reports are not being sent to shareholders separately.

ii Quarterly results

The quarterly results are published in Financial Express and Pratyak Sambad/Kalantar. Henceforth it will also be displayed on our website www.polarinc.com.

The Management discussion and analysis (MD & A) is a part of the annual report.

9 General Shareholder Information

9.1 Annual General Meeting

Date and Time	September 26 2001 at 10 00 a m
Venue	Merchants Chamber of Commerce 15B Hemanta Basu Sarani Kolkata 700 001

9.2 Financial Calendar (Tentative)

Annual General Meeting	26th September 2001
Results for quarter ending June 30 2001	Last week of July 2001
Results for quarter ending September 30 2001	Last week of October 2001
Results for quarter ending December 31 2001	Last week of January 2002
Results for year ending March 31 2002	Last week of June 2002

9.3 Book closure date 24th September 2001 to 26th September 2001

9.4 Dividend payment date Not Applicable

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3 5 **Listing of Equity Shares on** Kolkata Mumbai Delhi and the National Stock Exchange (NSE) The Company has paid listing Fees for 2001 02 to all these Stock Exchanges

3 6 (a) **Stock Code** Trading Symbol Kolkata Stock Exchange 10026011
Trading Symbol National Stock Exchange POLARIND EQ
Trading Symbol Mumbai Stock Exchange 4288
Trading Symbol Delhi Stock Exchange 16085
(b) **Demat ISIN Number in NSDL & CDSL for Equity Shares** ISIN No INE057B01010

9 7 Stock Market Data

National Stock Exchange (NSE) (In Rs)

<u>Month</u>	<u>High Price</u>	<u>Low Price</u>
July 2000	36 50	31 60
August 2000	No Trading	No Trading
September 2000	No Trading	No Trading
October 2000	36 65	34 50
November 2000	No Trading	No Trading
December 2000	25 00	18 65
January 2001	27 45	25 40
February 2001	No Trading	No Trading
March 2001	No Trading	No Trading

9 8 **Registrar and Transfer Agents** Computech International Ltd 77/2A Hazra Road Kolkata 700 029
(Share transfer and communication regarding share certificates dividends and change of address)

9 9 Share Transfer System

Presently the share transfers which are received in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt subject to the documents being valid and complete in all respects The Company has offered the facility of transfer cum demat Under the said system after the share transfer is effected an option letter is sent to the transferee indicating the details of the transferred shares and requesting him in case he wishes to demat the shares to approach a Depository Participant (DP) with the option letter The DP based on the option letter generates a demat request and sends the same to the Company along with the option letter On receipt of the same the Company dematerialise the shares In case the transferee does not wish to dematerialise the shares he need not exercise the option and the Company will despatch the share certificates after 15 days from the date of such option letter

3 10 Distribution of Shareholding as on 31st March 2001

Category	No of Shares	Shareholding %
Promoters	4321654	42 91
Financial Institutions/ Banks/Mutual Funds	3151359	31 29
NRIs	38119	0 38
Public	2561446	25 43

9 11 Dematerialisation of Shares

Trading in Equity Shares of the Company is permitted only in dematerialised form w e f 29 1 2001 as per notification issued by the Securities and Exchange Board of India (SEBI)

9 12 Plant locations

Ceiling Fan Division
A 2 Sector 5 Noida
Pressing Division
20/4 Mathura Road Faridabad
Portable Fan Motor & Pump Division
20/4 Mathura Road Faridabad
Sumach Division
58/4/2A B T Road Kolkata – 700 002
PFI Division
167 Brahmo Samaj Road Kolkata 700 060

9 13 (i) Investor Correspondence

For Shares held in physical form

Computech International Ltd
77/2A Hazra Road Kolkata 700 029

For Shares held in Demat form

To the Depository Participant

(ii) Any query on Annual Report

Secretarial Department
Polar Industries Limited
113 Park Street 8th Floor
Kolkata – 700 016