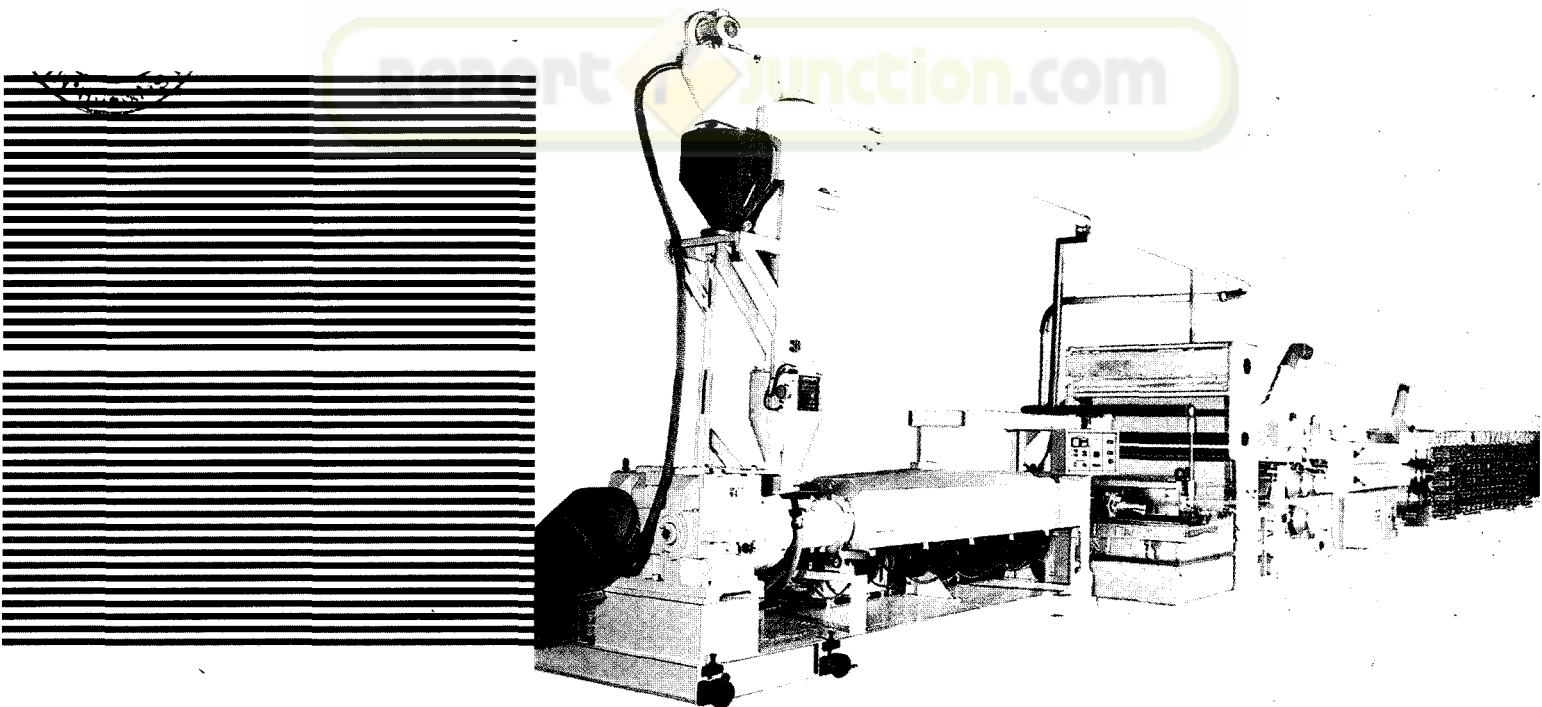




KABRA
EXTRUSIONTECHNIK

KABRATEC PP / HDPE TAPE STRETCHING LINES
First Time in India Complete Computerised Plant



KABRA EXTRUSIONTECHNIK LIMITED

KABRA EXTRUSIONTECHNIK

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

	2003-04	2002-03	2001-02	2000-01	1999-00
Operating Results					
Sales and Other Income	8594.50	4281.60	5186.63	4932.79	3854.42
Profit before Depreciation, Interest & Tax	1164.62	551.53	716.08	623.84	449.13
Less : Depreciation	122.58	97.11	94.31	86.89	71.54
Interest	16.73	13.98	23.79	16.79	14.50
Profit before tax	1025.31	440.44	597.97	520.16	363.09
Less : Provision for Taxation	205.00	130.00	140.00	140.00	60.00
Less/Add : Provision for Deferred Taxation	(49.42)	37.49	(104.49)	—	—
Assets/(Liabilities)					
Less : Taxation of earlier years	—	13.57	—	—	—
Net Profit after tax & deferred tax	770.89	334.36	353.49	380.16	303.09
Retained earnings	500.06	198.95	233.46	277.27	220.78
*Earning per share (EPS) (Rs.)	11.96	9.05	10.31	11.08	8.84
(Computed on profit after Tax but before Deferred Tax)					
Dividend (%)	35%	35%	35%	30%	24%
Assets Employed					
Fixed Assets (NET)	1896.92	1708.90	1459.03	1288.62	1262.05
Current Assets (NET)	1491.06	1579.03	1216.46	1297.64	1315.32
Capital Employed	4355.19	3978.33	3589.36	3330.05	3033.23
Financed By					
Share Capital	685.90	342.95	342.95	342.95	342.95
Reserves	3216.73	3059.62	2860.66	2732.58	2465.81
Total Shareholders Funds	3902.63	3402.57	3203.61	3075.53	2808.78
Borrowings	230.75	403.38	175.88	254.51	224.47
Debt : Equity	0.06 : 1	0.12 : 1	0.05 : 1	0.08 : 1	0.08 : 1
Others					
Book Value Per Share (Rs.)	56.90	99.21	93.41	89.68	81.90
Gross Fixed Assets	2669.17	2371.21	2033.81	1774.71	1667.17
Employees Cost	448.47	394.92	377.76	304.46	242.51

* Number of Issued shares

6859000

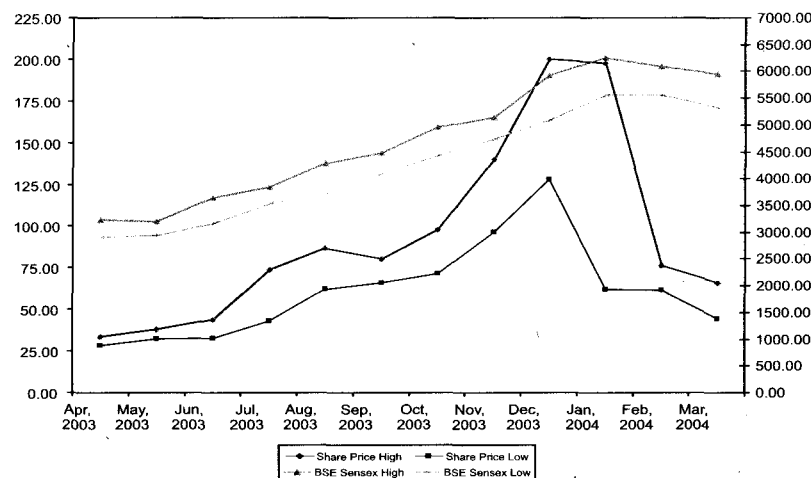
3429500

3429500

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Stock Performance Share Price / BSE Sensex



BOARD OF DIRECTORS**Shreevallabh G. Kabra**

Chairman & Managing Director

Satyanarayan G. Kabra

Vice-Chairman & Managing Director

Anand S. Kabra

Executive Director

Punamchand C. Parmar

Director

Haridas S. Sanwal

Director

Mahavir Prasad Taparua

Director

Yagnesh B. Desai

Director

COMPANY SECRETARY**Y. D. Sanghavi****AUDITORS****A. G. Ogale & Co.**

Chartered Accountants, Pune

BANKERS**State Bank of India**

Industrial Finance Branch, Mumbai – 400 005

SHARE TRANSFER AGENT**M/s. Sharepro Services**Satam Estate, 3rd Floor, Cardinal Gracious Road,
Chakala, Andheri (East), Mumbai – 400 099

Tel.:022-28215168,28329828 Fax.: 022-28375646

REGISTERED OFFICEKolsite House, Off Veera Desai Road,
Andheri (West), Mumbai – 400 053

Tel.:022-26734822-24 Fax.: 022-26735041

WORKSKabra Industrial Estate,
Kachigam, Daman – 396 210**C O N T E N T S**

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21st Annual General Meeting

Date	:	30 th July, 2004
Day	:	Friday
Time	:	2:30 p.m.
Venue	:	Hotel Park View, 38, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai – 400 058



NOTICE

NOTICE is hereby given that the TWENTYFIRST ANNUAL GENERAL MEETING of the Members of **KABRA EXTRUSIONTECHNIK LIMITED** will be held at Hotel Park View, 38, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai 400 058, on Friday, the 30th day of July 2004 at 2:30 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the audited Balance Sheet as at 31st March, 2004 and the Profit & Loss Account for the year ended on that date and Reports of the Directors and the Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri. Punamchand Chandulal Parmar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri. Haridas Sagatmal Sanwal, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Messrs. A. G. Ogale & Co., Chartered Accountants, as Auditors of the Company to hold such office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

6. 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 Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956, read with schedule XIII to the said Act or any re-enactment or modifications thereof and all other applicable Statutory Provisions, if any, and subject to such approvals as may be necessary, the consent of the company be and it is hereby accorded to the re-appointment and payment of remuneration to Shri. Shreevallabh G. Kabra as a Chairman and Managing Director of the Company, for a period of five years with effect from 1st April, 2004 to 31st March, 2009 on the terms, conditions and stipulations including remuneration detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board of Directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration committee of the Board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Shri. Shreevallabh G. Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule-XIII to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and/or modifications that may hereafter from time to time be made thereto by the Central Government.

"RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of his office as a Chairman and Managing Director of the Company, the remuneration, perquisites and other allowances shall be governed by the limits prescribed in Section II of Part-II of Schedule XIII to the Companies Act, 1956, as amended from time to time.

"RESOLVED FURTHER THAT the aforesaid consent of the company is accorded without prejudice to his right of holding managerial position of whatsoever nature in any other company and draw remuneration therefrom, subject to the regulatory guidelines and ceiling stipulated in this regard.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

Place : Mumbai
Date : 25th May, 2004

By Order of the Board
For **Kabra Extrusiontechnik Limited**

Registered Office :
Kolsite House,
Off. Veera Desai Road,
Andheri (West),
Mumbai - 400 053

Y. D. Sanghavi
Company Secretary

ANNUAL REPORT**2003 - 2004****Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of business item No. 6 set out above, is annexed hereto.
3. Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 21st July, 2004 to Friday, the 30th July, 2004 (both days inclusive).
4. The dividend as recommended by the Board, if sanctioned at the ensuing Annual General Meeting will be paid to those members or their mandates whose names stand registered on the Company's Register of Members :-
 - a) as Beneficial Owners as at the end of business on Tuesday, the 20th July, 2004 as per the list to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in demat form.
 - b) as Members holding shares in Physical Mode as per Register of Members of the Company as on Tuesday, the 20th July, 2004.
5. (i) The unclaimed dividend upto financial year 1993-94 have been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956. Those shareholders who have so far not claimed their dividend for the financial years upto 1993-94 may claim their dividend from the Registrar of Companies, Maharashtra, Mumbai at CGO Complex, 2nd Floor, A-Wing, CBD-Belapur, Navi Mumbai - 400614 by submitting an application in the prescribed form.
- (ii) Those members who have not encashed their dividend warrants for the financial years 1996-97 to 2002-2003 are requested to return the time barred dividend warrants or forward their claims to the company for issue of duplicate thereof.
- (iii) The details of dividends paid by the Company during financial years 1996-97 to 2002-2003 are as under :

Date of declaration of Dividend at AGM	Dividend for the Financial Year	Rate of Dividend	Month & Year of transfer to the Fund
18 th September, 1997	1996-1997	30%	October, 2004
16 th September, 1998	1997-1998	20%	October, 2005
17 th September, 1999	1998-1999	20%	October, 2006
15 th May, 2000 #	1999-2000	24%	June, 2007
2 nd August, 2001	2000-2001	30%	September, 2008
7 th August, 2002	2001-2002	35%	September, 2009
1 st August, 2003	2002-2003	35%	September, 2010

Paid as Interim and subsequently approved as Final at the AGM held on 15th September, 2000.

Please claim your unpaid dividend for financial year 1996-97 immediately as the same is due for transfer in October 2004 to the credit of Investor Education and Protection Fund

- (iv) Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year 1996-97 and thereafter which shall remain unclaimed/unpaid for a period of 7 years from the date of transfer to the unpaid dividend account will be transferred to the Investor Education and Protection Fund constituted by the Central Government under Section 205C of the Companies Act, 1956. **It may be noted that once the unclaimed dividend is transferred to the Government, as above, no claim shall lie in respect of such amount.**
- (v) Pursuant to the said provisions unclaimed /unpaid dividend of Rs. 86,134/- for the financial year ended 31st March, 1996 has been transferred to the Investor Education and Protection Fund during the year under review. Unclaimed dividend of Rs. 60,721/- for 1994-95 was transferred last year accordingly.

KABRA
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6. Members holding shares in Physical mode are requested to lodge/forward their application for Share Transfer, Transmission and request for changes if any, in their addresses, bank account and mandate details, residential status etc. quoting their folio number/(s) to Company's Share Transfer Agent, viz **M/s. Sharepro Services, (Unit : Kabra Extrusiontechnik Limited)** Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099, **Tel. No.:** 022-28215168, 28329828, 28215991, 28347719, 28348218 **FAX No. :** 022-28375646 ; **Email :** sharepro@vsnl.com. Members holding shares in physical form can avail of the Nomination facility by filing Form 2B (in duplicate) with the said Share Transfer Agent.
7. In case of share held in demat form, Intimation regarding change in residential address, Bank Details, Status, nomination have to be lodged with respective Depository Participant (DP).
8. Brief Profile of Directors retiring by rotation and being eligible for re-appointment and other Director who is proposed to be appointed at the ensuing Annual General Meeting are furnished in the Corporate Governance Section, which forms part of this Annual Report.
9. Shareholders may avail the facility of Electronic Clearing Services (ECS) for receiving direct credit of dividend to their accounts with Banks for expeditious credit and to protect from loss, theft and postal delay of dividend warrants. Bank details for the said purpose may be given to the said Share Transfer Agent, as per ECS mandate format.
10. Members desirous of obtaining any information with regard to the accounts are requested to write to the Company Secretary at the Registered Office of the Company, at least 10 days in advance before the meeting, so that the same could be compiled in advance.

Place : Mumbai
Date : 25th May, 2004

By Order of the Board
for **Kabra Extrusiontechnik Limited**

Registered Office :
Kolsite House,
Off. Veera Desai Road,
Andheri (West), Mumbai - 400 053

Y. D. Sanghavi
Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement under Section 173(2) of the Companies Act, 1956.

Item No. 6

Shri. Shreevallabh G. Kabra aged 67 years, qualified as B.A.(Hons) possess vast, rich and varied experience of over 35 years in the field of promoting and managing industrial projects, more particularly in management of Plastic Processing Machinery manufacturing Industry in which your Company is engaged.

At the Meeting of the Board of Directors of the Company held on 25th May, 2004 his re-appointment and payment of remuneration to him as a Chairman and Managing Director of the Company with effect from 1st April, 2004 for a period of 5 (Five) years was approved with a view to benefit the Company by his expertised knowledge and experience. His term of appointment was valid till 31st March, 2004. He is holding similar position in M/s. Plastiblends India Ltd., a Company in the same group and paid remuneration therefrom.

During last 5 years the Company has achieved substantial growth both in terms of Sales Turnover and Profits.

The material terms of his appointment and remuneration payable to him as embodied in the agreement to be entered into between the Company and said appointee are set out below :

The principal terms and conditions as contained in the draft agreement are as under :

- 1) **Period of Appointment :**
5 (five) years with effect from 1st April, 2004 to 31st March, 2009.
- 2) **Remuneration :**
Salary : Rs. 1,00,000/- (Rupees One lakh Only) per month, with an annual increment to be decided by the Board at such percentage upto 10% of the salary, subject to the same not exceeding at any point of time, the ceiling specified in Schedule-XIII to the Companies Act, 1956.

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. Unless the context otherwise requires, perquisites are classified into three categories 'A', 'B' and 'C' as follows :

ANNUAL REPORT**2003 - 2004****CATEGORY - A :**

- i) **Housing I** : The expenditure by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of the salary, over and above 10% payable by him.
- ii) **Housing II** : In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the Company.
- iii) **Housing III** : In case no accommodation is provided by the Company, he shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.
- iv) **Medical Expenses** : For self and his family subject to a ceiling of 1 month salary in a year or three months' salary in a block of three years.
- v) **Leave Travel Concession** : For self, spouse and family once in a year incurred in accordance with the rules specified by the Company.
- vi) **Club Fees** : Subject to a maximum of two clubs. This will not include admission and life membership fees.
- vii) **Personal Accident Insurance & Medi-Claim Policy** : For self, spouse and family, as per rules of the Company.

Explanation for the purpose of Category 'A' : Family means spouse, dependent children and dependent parents of the said Chairman & Managing Director.

CATEGORY - B :

- i) **Provident Fund, Superannuation Fund and Annuity Fund** : Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Schemes of the Company will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income-tax Act, 1961.
- ii) **Gratuity** : Gratuity payable as per rules of the Company.
- iii) Encashment of Leave as per rules of the Company.

CATEGORY - C :

Provision of car and telephone at residence for use of Company's business will not be considered as perquisites. However, personal long distance telephone calls and use of car for private purposes shall be billed by the Company to the Chairman and Managing Director.

The draft of Agreement to be entered into between the Company and the said appointee, incorporating the above particulars of remunerations are available for inspection at the Registered Office of the Company on all working days excluding Saturdays upto the date of ensuing Annual General Meeting between 11:00 a.m. to 1:00 p.m.

The said Agreement may be terminated by either party (the Company or the said appointee) by giving three months' prior notice in writing.

Your Directors commend the resolution set out at Item-6 of the Notice for your approval.

Shri. Shreevallabh G. Kabra is concerned or interested in the resolution at Item-6 as also in the draft agreement, since it relates to his own appointment and remuneration.

Further Shri. Satyanarayan G. Kabra and Shri. Anand S. Kabra are deemed to be interested in this resolution as related to the said appointee.

Save and except the above, none of the other Directors of the Company, is in any way, concerned or interested in the resolution.

This explanatory statement with the accompanying Notice is to be regarded as an abstract of the terms of agreement and memorandum of concern or interest, under section 302 of the Companies Act, 1956.

Place : Mumbai
Date : 25th May, 2004

By Order of the Board
for **Kabra Extrusiontechnik Limited**

Registered Office :
Kolsite House,
Off. Veera Desai Road,
Andheri (West),
Mumbai - 400 053

Y. D. Sanghavi
Company Secretary

KABRA
EXTRUSIONTECHNIK

DIRECTORS' REPORT

To,
The Members,
Kabra Extrusiontechnik Limited
Mumbai

Your Directors are pleased to present the **TWENTYFIRST ANNUAL REPORT**, together with the **AUDITED STATEMENT OF ACCOUNTS** of the Company for the year ended 31st March, 2004.

	2003-2004 (Rs. in Lakhs)	2002-2003 (Rs. in Lakhs)
Sales Turnover and Other Income	8594.50	4281.60
Profit before interest and depreciation	1164.62	551.53
Less : Interest	16.73	13.98
Depreciation	122.58	97.11
Gross Profit before tax	1025.31	440.44
Less : Provision for Taxation	205.00	130.00
Provision for Deferred Tax - Assets / (Liability)	(49.42)	37.49
Net Profit after Tax and Deferred Tax	770.89	347.93
Less : Earlier Year Taxation	—	13.57
Add : Balance b/f from previous year	1201.37	1049.25
Amount available for appropriation	1972.26	1383.61

APPROPRIATIONS :

Transfer to General Reserves	80.00	46.83
Provision for Proposed Dividend	240.06	120.03
Provision for Tax on Proposed Dividend	30.76	15.38
Surplus balance c/f to Balance Sheet	1621.44	1201.37
	1972.26	1383.61

DIVIDEND :

Your Directors are pleased to recommend a dividend of Rs. 3.50 per share of Rs. 10/- each for the year ended 31st March, 2004 (Rs. 3.50 per share for the previous year) subject to the Members' approval.

OPERATIONS

The company has achieved the Operational and Other Income of the year under review at Rs. 8594.50 lakhs as against the previous years' operational income of Rs. 4281.60 lakhs, an increase of 100.73% over previous year. The Profit before tax is Rs. 1025.31 lakhs against the previous year's profit of Rs. 440.44 lakhs, an increase of 132.79 % over previous year. Net Profit of the Company after Tax and Deferred Tax is Rs. 770.89 lakhs as against Rs. 334.36 lakhs of the previous year, an increase of 130.56% over previous year.

BONUS ISSUE OF SHARES

The Authorised Equity Capital of the Company has been increased to Rs. 10,00,00,000/- (Rupees Ten Crores) during the year under review. Subsequent to the Bonus Issue, the paid-up capital of the Company has gone upto Rs. 6,85,90,000/-.

The Company has on 30th January, 2004 allotted 3429500 Fully Paid-up Equity Shares of Rs. 10/- each as Bonus Shares in the ratio of 1:1. BSE, NSE & The Stock Exchange, Ahmedabad have granted their trading permission to the Bonus Shares allotted by the Company.

The Company has made an application to The Stock Exchange, Ahmedabad for delisting pursuant to the Members' approval by a Special Resolution passed at an Extra-Ordinary General Meeting held on 2nd January, 2004 and its approval is awaited.

EXPORTS :

Exports during the year have increased to Rs. 2923.91 lakhs, as against Previous years' export of Rs. 1845.52 lakhs, an record increase of 58.43% over previous year.

ANNUAL REPORT**2003 - 2004****DIRECTORS :**

Shri. Punamchand C. Parmar and Shri. Haridas S. Sanwal, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement pursuant to Section 217 (2AA) of the Companies Act, 1956 :

- (i) That in the preparation of Annual Accounts for the year ended 31st March, 2004, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That they had selected such accounting policies and applied them consistently, and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2004 and of the profits of the Company for the said year;
- (iii) That they 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 they had prepared the accounts on a "going concern basis".

AUDITORS :

Messrs. A G. Ogale & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. They have furnished a certificate of their re-appointment u/s. 224 (I-B) of the Companies Act, 1956 and they are not disqualified under amended section 226(3)(e) of the said Act.

LISTING FEES :

The Company declares that 6859000 Equity Shares of Rs. 10/- each are listed on the Stock Exchanges at Mumbai and Ahmedabad and also on the National Stock Exchange of India Ltd., Mumbai and the Company confirms that it has paid Annual Listing Fees due to all the above Stock Exchanges for the Financial Year 2004-2005.

SUBSIDIARY COMPANY :

Kabra Winders Limited ceases to be a subsidiary of your Company upon dilution of equity holding from 74.90% to 29.30% in that Company and accordingly the requirements of Accounting Standard - 21 is not applicable.

CORPORATE GOVERNANCE :

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's auditors confirming the compliance of conditions on Corporate Governance as stipulated in the said Clause-49 of the Listing Agreement is annexed thereto.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 forms part of this report as Annexure - I.

EMPLOYEES RELATIONS :

Employees relations continued to be cordial throughout the year. The Directors appreciate the efforts put in by the employees at all levels.

There are no employees covered under section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended and hence no particulars are required to be furnished.

ACKNOWLEDGEMENT :

The Board of Directors of your Company place on record their gratitude and would like to thank Shareholders, Bankers, Financial Institutions, Customers, Dealers and Suppliers for their support and co-operation.

For and on behalf of the Board

S. V. Kabra

Chairman & Managing Director

Mumbai, 25th May, 2004



ANNEXURE - I TO THE DIRECTORS' REPORT

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. Conservation of Energy :

- Energy Conservation Measures taken : Continuous efforts are being made by the production team for conservation of energy. Heating time for trials, testing etc. is strictly monitored and certain savings are expected, but total impact of this cannot be measured.
- Additional Investments and proposals, if any, being implemented for reduction of consumption of energy : None.
- Impact of measures at (a) & (b) above, for reduction of energy consumption and consequent impact on the cost of production of goods : With the implementation of measures indicated in (a) above, it is expected that there would be a corresponding favourable impact on the energy cost per unit of production.

B. Technology Absorption :

Efforts made in technology absorption :

- Specific areas in which R & D carried out by the Company : Kabratec PP/HDPE Tape Stretching Lines has been developed.** This plant offers highest output per unit power consumption and lowest investment with regard to output.
- Benefits derived as a result of the above R & D :** Products range of the Company has been widened and the customers benefitted by unique advantages of highest out-put per unit power consumption, lowest investment with regard to output, space saving-by compact design, control by automation / electronic device and ease of operation.
- Future plan of action :** Your Company is making continuous effort to develop New Model of Plants.
- Expenditure on R & D :** During the year, the Company spent recurring amount of expenditure on R & D which have been included in the respective expenses heads. No separate account head for expenditure on R & D has been maintained.
- Technology imported during the last 5 years :**

Technology for	Imported From	Year of Import	Status
Manufacture of Twin Screw Plastic Extrusion Machinery Single Screw Extruders for HDPE Pipes, Foam Core Pipes, Multilayer Pipes and Aluminium Composite Pipe System and Dies & Tooling for Windows Profiles.	M/s. Battenfeld Extrusiontechnik GmbH, Germany	2000	Technology absorption is in progress

C. Foreign Exchange Earning and Outgo :

(Rs. in Lakhs)

	<u>2003-2004</u>	<u>2002-2003</u>
Foreign Exchange Earned	2923.91	1845.52
Foreign Exchange Used	219.44	100.69

For and on behalf of the Board

S. V. Kabra

Chairman & Managing Director

Mumbai, 25th May, 2004