

15th
Annual Report -2009-10



New Heights of Precision
New Benchmarks of Performance.

Precision Pipes and Profiles Company Limited

15TH ANNUAL REPORT



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given to all the members of **PRECISION PIPES AND PROFILES COMPANY LIMITED** that the Fifteenth Annual General Meeting of the Company will be held on **Saturday the 25th September, 2010**, at **11:30 A.M.** at **The Executive Club, Dolly Farms and Resorts Pvt. Limited, Village Shahoorpur, Fatehpur Beri, New Delhi** to transact the following businesses :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit & Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To declare Dividend for the financial year ended 31st March, 2010.
3. To appoint a Director in place of Mr. S.K Tuteja, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vinod Vaish, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s Dharam Taneja Associates, Chartered Accountants, as Auditors of the Company to hold 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 Mr. Ashok Kumar Agarwal, be and is here by appointed as a director of the company liable to retire by rotation".
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Mr. M.S. Kapur, be and is here by appointed as a director of the company liable to retire by rotation".
8. 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 310 & 311 read with Schedule XIII of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956 as amended or re – enacted from time to time, the remuneration of Mr. Ajay Kumar Jain, Managing Director of the Company, be and is hereby increased with w.e.f. 1st November, 2010, for the rest of his term i.e. up to 31st October, 2012, as per details given below

SALARY : Rs.2,00,000/- (Rupees Two Lakh) Per Month.

BONUS & PERQUISITES : 1) Rent free accommodation.
2) Reimbursement of the medical expenses incurred, for himself and his family.
3) Any other perquisite or benefit as may be approved or allowed by the Board, from time to time, within the limits as per Schedule XIII of the Companies Act, 1956, Subject to the condition that the monetary value of all perks shall not exceed Rs. 2,00,000/- (Rupees Two Lakh) Per Month.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution."

9. 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 310 & 311 read with Schedule XIII of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956 as amended or re-enacted from time to time, the remuneration of Mr. Rajeev Jain, Whole Time Director of the Company be and is hereby increased with w.e.f. 1st November 2010, for the rest of his term i.e. up to 31st October, 2012, as per the details given below:

SALARY : Rs.2,00,000/- (Rupees Two Lakh) Per Month.

PRECISION PIPES & PROFILES COMPANY LIMITED



- BONUS & PERQUISITES : 1) Rent free accommodation.
2) Reimbursement of the medical expenses incurred for himself and his family.
3) Any other perquisite or benefit as may be approved or allowed by the Board, from time to time, within the limits as per Schedule XIII of the Companies Act, 1956, Subject to the condition that the monetary value of all perks shall not exceed Rs. 2,00,000/- (Rupees Two Lakh) Per Month.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution."

10. 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 310 & 311 read with Schedule XIII of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956, as amended or re – enacted from time to time, the remuneration of Mr. Abhishek Jain, Whole Time Director of the Company, be and hereby increased with w.e.f. 1st November 2010 for the rest of his term i.e. up to 2nd June, 2012, as per the details given below.

SALARY : Rs. 1,25,000 (Rupees One Lakh Twenty Five Thousand) Per Month.

- BONUS & PERQUISITES : 1) Rent free accommodation.
2) Reimbursement of the medical expenses incurred for himself and his family.
3) Any other perquisite or benefit as may be approved or allowed by the Board, from time to time, within the limits as per Schedule XIII of the Companies Act, 1956, Subject to the condition that the monetary value of all perks shall not exceed Rs.1,25,000 (Rupees One Lakh Twenty Five Thousand) Per Month.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution."

11. 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 269 & 309 read with Schedule XIII of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956 as amended or re – enacted from time to time, the appointment of Mr. Sharat Chand Jain, as Whole Time Director designated as "Executive Vice Chairman", for a period of three years from 6th August 2010 to 5th August 2013, be and is hereby approved on terms of remuneration, perquisites and amenities set out as follows:

SALARY : Rs.2, 00,000/- (Rupees Two Lakh) Per Month.

- BONUS & PERQUISITES : 1) Rent free accommodation.
2) Reimbursement of the medical expenses incurred, for himself and his family.
3) Any other perquisite or benefit as may be approved or allowed by the Board, from time to time, within the limits as per Schedule XIII of the Companies Act, 1956, Subject to the condition that the monetary value of all perks shall not exceed Rs. 2,00,000 (Rupees Two Lakh) Per Month.

RESOLVED FURTHER THAT the Board of Directors be and is 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 PRECISION PIPES & PROFILES COMPANY LIMITED

S.C. Jain
(Executive Vice Chairman)

Dated: 6th August 2010
Place: New Delhi

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE PROXY FORM, IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HEREWITH.**
3. 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.
4. The Register of Members and the Share Transfer Books of the Company will be closed from Monday 20th September, 2010 to Friday 24th September, 2010 (both days inclusive).
5. The dividend for the financial year 2009-10 as recommended by the Board of Directors and if declared at the Annual General Meeting will be paid on or after 25th September, 2010 to those members whose name appear:
 - a) To all the beneficial owners in respect of shares held in electronic form as per the data as may be made available by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on Friday 24th September, 2010.
 - b) To all the shareholders in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Friday 24th September, 2010.
6. Members holding shares in physical segment are requested to notify changes in their address/ status, if any to the Company's registrar and transfer agent, M/s Link Intime India Private Limited, at the address A-40, 2nd Floor, Naraina Industrial Area, Phase-II, near Batra Banquet Hall, New Delhi- 110028.
7. Members are entitled to make nomination in respect of shares held by them in physical form. Members desirous of making nomination are requested to send their request in Form 2B (which will be made available on request) to the Registrar And Share Transfer Agent M/s Link Intime India Pvt Ltd. or can be downloaded from the following URL <http://www.linkintime.com/site/downloads.asp>.
8. Members who hold shares in dematerialized form may kindly note that their bank a/c detail, as furnished by the depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories. The Company will not entertain any direct request from Members for deletion of or change in such bank account details. Further, instruction, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic form. Members who wish to change such bank account details are, therefore, requested to advise their Depository Participants about such change with complete details of Bank Account
9. The Securities And Exchange Board Of India (SEBI) and Reserve Bank of India (RBI) have advised all listed companies to mandatorily use the Electronic Clearing Services (ECS) facility wherever possible for dividend payment to the members. In view of this stipulation the Company proposes to implement the ECS facility. Members are requested to provide the Company with ECS mandate for crediting the future dividend payment directly to their respective bank accounts. The Company shall be able to co-ordinate with the bankers only on receipt of the necessary information. The main information required therein is the type of account, name of the bank and the account number. It should be signed by all the Members, as per the specimen signature recorded with the Company.
10. Explanatory statement pursuant to the provisions of section 173(2) of the Companies Act, 1956, in respect of Special Businesses as set out in the notice is appended below and forms part of this notice.
11. Members are requested to bring their Client ID and DP ID or Folio numbers as may be applicable, for easy identification of attendance at the meeting.
12. Members/proxies should bring their attendance slip duly filled for attending the meeting.
13. Members seeking further information on the accounts or any other matter contained in the notice are requested to write to the Company at least 7 Days before the meeting so that relevant information can be kept ready at the meeting.
14. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

PRECISION PIPES & PROFILES COMPANY LIMITED



15. All documents referred to, in the accompanying notice and explanatory statement, are open for inspection at the registered office of the Company on all working days, during regular business hours and upto date of this meeting.

16. **PURSUANT TO THE PROVISIONS OF SECTION 205A (5) OF THE COMPANIES ACT, 1956, DIVIDEND FOR THE FINANCIAL YEAR ENDED 31-03-2009 AND THEREAFTER WHICH REMAIN UNCLAIMED FOR A PERIOD OF 7 YEARS WILL BE TRANSFERRED BY THE COMPANY TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF) ESTABLISHED BY THE CENTRAL GOVERNMENT.**

MEMBERS WHO HAVE NOT SO FAR ENCASHED THEIR DIVIDEND WARRANTS FOR THE FINANCIAL YEAR ENDED 31-03-2008 and 31-03-2009 OR ANY SUBSEQUENT FINANCIAL YEARS ARE REQUESTED TO APPROACH THE COMPANY FOR OBTAINING FRESH INSTRUMENT(S) IN LIEU OF EXPIRED DIVIDEND WARRANT(S). IT MAY ALSO BE NOTED THAT ONCE THE UNCLAIMED DIVIDEND IS TRANSFERRED TO THE SAID FUND, AS ABOVE, NO CLAIM SHALL LIE AGAINST THE COMPANY OR THE FUND IN RESPECT THEREOF.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6

Mr. Ashok Agarwal was appointed as an Additional Director on the board of the company on 15th March, 2010, in terms of Article 134 of the Articles of Association of the company and provision of section- 260 of the Companies Act, 1956.

Mr. Ashok Agarwal, aged about 59, is a Fellow Member of the Institute of Chartered Accountants of India, with an overall experience of over 35 years in industry. It is proposed to appoint him as a regular Director of the company. The company has received a notice in writing from one of its member signifying his intension to propose the candidature of Mr. Ashok Kumar Agarwal as a director of the company, pursuant to the provision of section 257 of the companies Act, 1956, along with security deposit of Rs.500/-.

Mr. Ashok Kumar Agarwal does not hold any share of PRECISION PIPES & PROFILES COMPANY LIMITED. If appointed, he will be a Non Executive Independent director of the company.

None of the director except Mr. Ashok Kumar Agarwal himself is concerned or interested in this item.

ITEM NO. 7

Mr. M. S. Kapur was appointed as an Additional Director on the board of the company on, 20th July, 2010, in terms of Article 134 of the Articles of Association of the company and provision of section- 260 of the Companies Act, 1956.

Mr. M. S. Kapur aged about 64 has retired as Chairman & Managing Director of Vijaya Bank, Bangalore, in March 2006. He has more than 37 years of operational experience in 5 Public Sector Banks at Top positions. It is proposed to appoint him as a regular Director of the company. The company has received a notice in writing from one of its member signifying his intension to propose the candidature of Mr. M.S. Kapur as a director of the company, pursuant to the provision of section 257 of the companies Act, 1956, along with security deposit of Rs.500/-.

Mr. M.S. Kapur does not hold any share of PRECISION PIPES & PROFILES COMPANY LIMITED. If appointed, he will be a Non Executive Independent Director of the company.

None of the director except Mr. M.S. Kapur himself is concerned or interested in this item.

ITEM NO. 8

The Board of Directors ('The Board') of the Company, at its meeting held on 6th August, 2010, increased the remuneration of Mr. Ajay Kumar Jain, Managing Director, of the Company as detailed in the resolution. The said increase of remuneration is pursuant to the provisions of Sections 310 & 311 read with Schedule- XIII of the Companies Act, 1956 and has been approved by the remuneration committee of the Company at its meeting held on 6th August, 2010. The said increase in remuneration and perquisites will be effective for the remaining term of his office i.e. w.e.f. 1st November, 2010 up to 31st October, 2012.

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Pursuant to the provisions of Part II, Section II (B) of Schedule XIII to the Companies Act, 1956, relevant details are given as under;

General Information:

Nature of Industry

Auto Ancillary

Date or expected date of commencement of commercial production

Already in Production

Financial performance:-		Amount in Rs. 000's	
Financial Parameters	Year 2009-10 Audited	Year 2008-09 Audited	Year 2007-08 Audited
Net Sales	1704821.10	1273649.31	1258236.03
Net Profit/(Loss) before tax as per Profit & Loss Account	216103.888	185367.48	304946.78
Export performance and net foreign exchange collaborations	18028.67	22,912.94	44,745.23

Foreign Investment or collaborators, if any: Technical Collaboration with Tokai kogyo Co. Ltd. and Nissen Chemtech group of Japan.

II INFORMATION ABOUT THE APPOINTEE:

1. Background details.

Mr. Ajay Kumar Jain aged 54 years has an experience of more than three decades. He started his career as partner in Ajay Industrial Corporation in 1975. He is one of the promoter directors of our company and appointed as a Managing Director of the Company. He has the responsibility to handle the Production, Marketing, International operations of all the automobile units of our group Companies.

2. Past Remuneration

Organization	Designation	Duration	Salary & Perquisite* (Rs)	Commission (Rs)	Contribution to P.F and other Funds (Rs)	Total (Rs)
Precision Pipes & Profiles Company Ltd.	Managing Director	3 yrs	2515235	0	0	2515235

3. Recognition and Reward

Some of the significant achievements are mentioned below:

- Sustained efforts to bring down the cost of operations. This has been achieved by bringing in overall operational efficiency, increase in productive levels, retention and training of key managerial talents.
- Design and Implementation of new systems and processes which lead to marked improvement in the operational efficiency.
- Expansion of the production facilities of the plant with improved technology

4. Job Profile and his suitability:

The Board of Directors of the company has appointed Mr. Ajay Kumar Jain as Managing Director of the Company effective from 1st November 2009. Under the leadership of Mr. Ajay Kumar Jain the Company there is a significant improvement in the performance of the Company. The Company has not only expanded its production facilities but also forayed into White good Products.

5. Remuneration

(a) Salary: Rs. 2,00,000 per month.

(b) Perquisites {(i) to (vi)}: Subject to the ceiling of Rs. 2,00,000 per month

PRECISION PIPES & PROFILES COMPANY LIMITED



i) Housing

The Company shall provide furnished accommodation to the Managing Director. If the Managing Director has his own accommodation, the Company shall pay house rent allowance.

ii) Leave Travel Concession

The Company shall provide leave travel concession for the Managing Director and his family.

iii) Other Allowances

The Managing Director may be given other allowances, benefits and perquisites as the Company may decide from time to time. The aggregate value of perquisites for the year shall be computed as per the provisions of the Income Tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income Tax Act, the perquisite value of such benefit shall be taken at actual cost.

iv) Medical Reimbursement

Medical expenses actually incurred for self and family shall be reimbursed by the Company. The value of such reimbursement shall be part of and included in the value of perquisites and allowances as aforesaid.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.

Position	Company	Remuneration (Rs)	Experience and Qualification
Deputy Managing Director	Bharat Forge* Ltd.	18198377	Mr. G.K. Agarwal is the Deputy managing Director of the company and has a B.E. (Mechanical) and M.B.A he has over 36 year of work experience.
Managing Director	Sona koyo Steering System Ltd.*	5349694	Mr. Sunjay Kapur is a graduate in Business Administration from Buckingham University, U.K.

*Source Annual Reports 2009-10.

In view of the above it is seen that the salary being paid is in consonance with the exciting industry standards.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Ajay Kumar Jain owns 2.14% equity stake of the Company and with his other family members and relatives control more than 62.95% of equity share capital of the Company.

Mr. D.C. Jain, Mr. S.C. Jain, Mr. Rajeev Jain, Mr. Anuj Jain, Mr. Abhishek Jain are the relatives of Mr. Ajay Kumar Jain and are on the Board of the Company.

III OTHER INFORMATION:

- Reasons for loss / inadequacy of profits: Not Applicable
- Steps being taken or proposed to be taken for improving operational efficiency.
Among the various steps stated above, the Company has undertaken following steps to improve profitability:
 - Improve coverage of products to reach wider segment.
 - Focus on revenue enhancement and expense efficiency.

IV DISCLOSURES:

- Period: Mr. Ajay Kumar Jain has been appointed with effect from 1st November, 2009 till end of his tenure i.e. 31st October, 2012.
- Other terms: Other necessary disclosures are given in Corporate Governance Report.

The above may also be treated as an abstract in terms of Section 302 of the Companies Act, 1956.

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Except Mr. Devendra Chandra Jain, Mr. Sharat Chand Jain, Mr. Rajeev Jain, Mr. Anuj Jain, Mr. Abhishek Jain being relatives and Mr. Ajay Kumar Jain (himself) who are deemed to be interested in above resolution, no other director is interested in the said resolution.

As per the provision of Schedule- XIII the said increase is subject to the approval of the shareholder, Hence the resolution. The resolution set out in item no. 8 may be considered accordingly. Your Directors recommends the same for your approval.

ITEM NO. 9

The Board of Directors ('The Board') of the Company, at its meeting held on 6th August, 2010, increased the remuneration of Mr. Rajeev Jain, Whole Time Director designated as Director- Works of the Company as detailed in the resolution. The said increase of remuneration is pursuant to the provisions of Sections 310 & 311 read with Schedule- XIII of the Companies Act, 1956 and has been approved by the remuneration committee of the Company at its meeting held on 6th August, 2010. The said increase in remuneration and perquisites will be effective for the remaining term of his office i.e. w.e.f. 1st November, 2010 up to 31st October, 2010.

Pursuant to the provisions of Part II, Section II (B) of Schedule XIII to the Companies Act, 1956, relevant details are given as under:

General Information:

Nature of Industry

Auto Ancillary

Date or expected date of commencement of commercial production

Already in Production

Financial performance:-		Amount in Rs. 000's	
Financial Parameters	Year 2009-10 Audited	Year 2008-09 Audited	Year 2007-08 Audited
Net Sales	1704821.10	1273649.31	1258236.03
Net Profit/(Loss) before tax as per Profit & Loss Account	216103.888	185367.48	304946.78
Export performance and net foreign exchange collaborations	18028.67	22,912.94	44,745.23

Foreign Investment or collaborators, if any: Technical Collaboration with Tokai kogyo Co. Ltd. and Nissen Chemtech group of Japan.

II INFORMATION ABOUT THE APPOINTEE:

1. Background details.

Mr. Rajeev Jain aged 40 years, possesses nearly 20 years experience in Plastic Extrusion field. He is one of the promoter directors of our Company and appointed as Director in 1996. He has the responsibility to handle management of Production, research and development and quality control for the refrigeration division.

He holds directorship in Kalindi Farms India Pvt. Ltd, Ajay Poly Pvt. Ltd. & Ajay Industrial Corporation Ltd.

2. Past Remuneration

Organization	Designation	Duration	Salary & Perquisite* (Rs)	Commission (Rs)	Contribution to P.F and other Funds (Rs)	Total (Rs)
Precision Pipes & Profiles Company Ltd.	Whole Time Director	3 years	11405423	0	0	11405423

3. Recognition and Reward

Some of the significant achievements are mentioned below:

- Sustained efforts to bring down the cost of operations. This has been achieved by bringing in overall operational efficiency, increase in productive levels, retention and training of key managerial talents.
- Design and Implementation of new systems and processes which lead to marked improvement in the operational efficiency.
- Expansion of the production facilities of the plant with improved technology

4. Job Profile and his suitability:

The Board of Directors of the company has appointed Mr. Rajeev Jain as Whole Time Director of the Company effective from 1st November 2009. Under the leadership of Mr. Rajeev Jain the Company there is a significant improvement in the performance of the Company. The Company has not only expanded its production facilities but also foray into White good Products.

5. Remuneration

(a) **Salary:** Rs. 2,00,000 per month.

(b) **Perquisites** {(i) to (vi)}: Subject to the ceiling of Rs. 2,00,000 per month.

i) Housing

The Company shall provide furnished accommodation to the Whole Time Director. If the Whole Time Director has his own accommodation, the Company shall pay house rent allowance.

ii) Leave Travel Concession

The Company shall provide leave travel concession for the Whole Time Director and his family.

iii) Other Allowances

The Whole Time Director may be given other allowances, benefits and perquisites as the Company may decide from time to time. The aggregate value of perquisites for the year shall be computed as per the provisions of the Income Tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income Tax Act, the perquisite value of such benefit shall be taken at actual cost.

iv) Medical Reimbursement

Medical expenses actually incurred for self and family shall be reimbursed by the Company. The value of such reimbursement shall be part of and included in the value of perquisites and allowances as aforesaid.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.

Position	Company	Remuneration (Rs)	Experience and Qualification
Deputy Managing Director	Bharat Forge Ltd.*	18198377	Mr. G.K. Agarwal is the Deputy managing Director of the company and has a B.E. (Mechanical) and M.B.A he has over 36 year of work experience.
Managing Director	Sona koyo Steering System Ltd.*	5349694	Mr. Sunjay Kapur is a graduate in Business Administration from Buckingunhm University, U.K.

*Source Annual Reports 2009-10

In view of the above it is seen that the salary being paid is in consonance with the exciting industry standards.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Rajeev Jain owns 0.05% equity stake of the Company and with his other family members and relatives control more

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than 62.95% of equity share capital of the Company.

Mr. D.C. Jain, Mr. S.C. Jain, Mr. Ajay Kumar Jain, Mr. Anuj Jain, Mr. Abhishek Jain are the relatives of Mr. Rajeev Jain and are on the Board Members of the Company.

III OTHER INFORMATION:

1. Reasons for loss / inadequacy of profits: Not Applicable
2. Steps being taken or proposed to be taken for improving operational efficiency.
Among the various steps stated above, the Company has undertaken following steps to improve profitability:
 - Improve coverage of products to reach wider segment.
 - Focus on revenue enhancement and expense efficiency.

IV OTHER DISCLOSURES:

- i. Period: Mr. Rajeev Jain has been appointed with effect from 1st November, 2009 till end of his tenure i.e. 31st October, 2012.
- ii. Other terms: other necessary disclosures are given in Corporate Governance Report.

The above may also be treated as an abstract in terms of Section 302 of the Companies Act, 1956.

Except Mr. Devendra Chandra Jain, Mr. Sharat Chand Jain, Mr. Ajay Kumar Jain, Mr. Anuj Jain, Mr. Abhishek Jain being relatives and Mr. Rajeev Jain (himself) who are deemed to be interested in above resolution, no other director is interested in the said resolution.

As per the provision of Schedule- XIII the said increase is subject to the approval of the shareholder, Hence the resolution.

The resolution set out in Item No. 9 may be considered accordingly. Your Directors recommends the same for your approval.

ITEM NO. 10

The Board of Directors ('The Board') of the Company, at its meeting held on 6th August, 2010, increased the remuneration of Mr. Abhishek Jain, Whole Time Director designated as Executive Director of the Company as detailed in the resolution. The said increase of remuneration is pursuant to the provisions of Sections 310 & 311 read with Schedule- XIII of the Companies Act, 1956 and has been approved by the remuneration committee of the Company at its meeting held on 6th August, 2010. The said increase in remuneration and perquisites will be effective for the remaining term of his office i.e. w.e.f. 6th August, 2010 up to 2nd June 2012.

Pursuant to the provisions of Part II, Section II (B) of Schedule XIII to the Companies Act, 1956, relevant details are given as under;

General Information:

Nature of Industry

Auto Ancillary

Date or expected date of commencement of commercial production

Already in Production

Financial performance:-		Amount in Rs. 000's	
Financial Parameters	Year 2009-10 Audited	Year 2008-09 Audited	Year 2007-08 Audited
Net Sales	1704821.10	1273649.31	1258236.03
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Foreign Investment or collaborators, if any: Technical Collaboration with Tokai kogyo Co.Ltd. and Nissen Chemtech group of Japan.