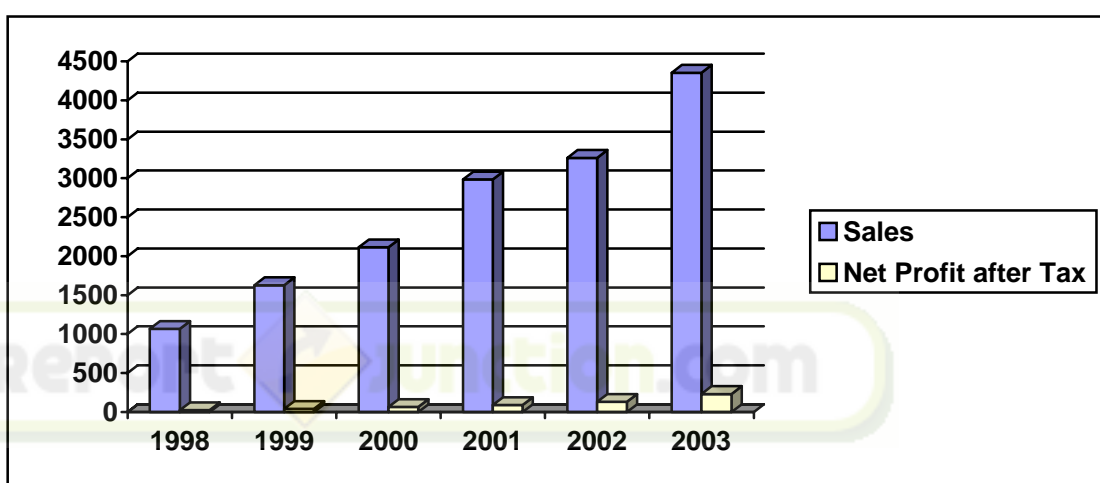


PAREKH ALUMINEX 'PAL' – an update

Parekh Aluminex Limited [PAL] is a market leader in the field of Aluminium foil containers. Its innovative products meet the customer requirement of increasing the value of end products by improving the properties and play an important role in the manufacture and processing of the end products.

PAL since its formation in 1995 has swiftly emerged as a company whose potential is reflected in its performance. The Company considers that sustained growth can be possible only by partnering with customers by understanding their needs, providing cost effective solutions, adding value and constantly upgrading the products catering to changes in fashion and preferences. It is this focus that has owned the confidence and trust of its customers. PAL holds its position of being a market leader in the segment it operates.



Highlights



SALES increased by **33 per cent** –
from Rs.3262.16 lacs in 2001-2002 to Rs.4354.31 lacs in 2002-2003



EXPORTS grew by **79 per cent** –
from Rs.465.49 lacs in 2001-2002 to Rs.832.24 lacs in 2002-2003.
Exports now account for 19 per cent of total income.



OPERATING PROFIT [PBDIT] rose by **74 per cent** –
from Rs.331.07 lacs in 2001-2002 to Rs.574.52 lacs 2002-2003



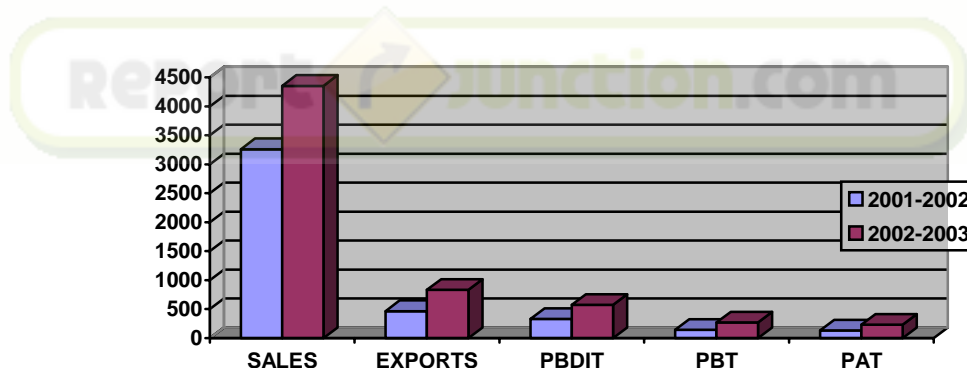
PROFIT BEFORE TAX [PBT] increased by **87 per cent** –
from Rs.143.82 lacs in 2001-2002 to Rs.268.71 lacs 2002-2003



PROFIT AFTER TAX [PAT] increased by **77 per cent** –
from Rs.130.82 lacs in 2001-2002 to Rs.231.71 lacs 2002-2003



EARNINGS PER SHARE [EPS] grew by **77 percent** –
from Rs.3.60 in 2001-2002 to Rs.6.37 in 2002-2003



- COMMENCEMENT OF THE NEW UNIT AT 100% UTILIZATION OF PRODUCTION CAPACITY
- UPGRADATION OF CREDIT RATING TO 'AAA' BY COMPANY'S BANKERS VIZ. BANK OF INDIA
- COMPANY IS ACCREDITED WITH ISO 9001:2000 CERTIFICATION BY BVQI, U.K.



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Please bring along the copy of this Annual Report as the same will not be distributed again at the 9th Annual General Meeting



Letter to Shareholders

Dear Shareholders,

It gives me great pleasure and a sense of pride to present the ninth annual results of your Company for the year 2002-2003.

Your Company had an excellent year, especially in terms of financial performance and also an all round improvement in the operating parameters. Overall Sales grew by 33%. Export Sales grew by 79%.

Profitability increased sharply with the consolidated earnings before Interest, Depreciation & Tax growing by 74%, consolidated Profit after Tax grew by 77%, EPS of the Company stood at 6.37. The results were due to the exceptional efforts by the entire team of Parekh Aluminex Limited.

On the whole, the effective, high calibre quality-focused workmanship provided by the entire managerial team and supported by motivated and competent staff at all levels of Organization deserve strong commendation and appreciation.

Your Company has achieved the certification of ISO 9001:2000 being accredited by BVQI, UK. All our people deserve to be warmly congratulated for complying with the requirements needed to achieve this certificate.

Your Company's rating has been upgraded to 'AAA' by the bankers viz. Bank Of India.

In an environment where there was a continuous dampness in the business sentiments, your Company has achieved this phenomenal growth, which deserves to be extolled by all and sundry.

Parekh Aluminex Limited enhanced its status as India's No.1 manufacturers & exporters of Aluminium Foil Containers / Casseroles / Dishes / Trays etc.

The managerial team and the supporting staff at Parekh Aluminex Limited are committed to the future growth of Parekh Aluminex. In line with this your Company is planning for one more mega expansion to cater to the global market and become one of the leading global manufacturers.

I believe that in coming years your Company shall be amongst the top companies in the World in comparison with the global producers of Aluminium Foil Containers / Casseroles / Dishes / Trays etc. not only in terms of Quality and services but also in terms of Production and Sales volumes.

Your Company has begun full-fledged conversion for Aluminium Foil Rolls & Wraps for India's one of the largest Aluminium Company i.e. HINDALCO INDUSTRIES LIMITED.

Your Company has also got a trial order from one of the biggest companies of Aluminium in the World i.e. ALCAN. The business relationship after this trial order is expected to grow by leaps and bounds.

Your Company is getting continual orders from one of the largest buyers of Aluminium Foil Containers in the U.K. i.e. a Company of the BRITANNIA group.

Your Company has now started exports to Sri Lanka & Yemen.

I have no doubt that with the ethical integrity and strong commitments displayed, your Company will continue to cross new milestones of progress and enhance value for the shareholders in the years ahead.

I would like to give special thanks to company's bankers Bank of India, for their continuous & timely support. And also to Hindalco Industries Limited for their trust placed in the company and their commitment towards continuous support.

Finally, I want to thank all of you for the confidence you have reposed in us. Your faith encourages all of us at Parekh Aluminex to strive even harder in constant pursuit of excellence and supremacy.

With Warm Regards,

Amitabh Parekh

Chairman & Managing Director



Board of Directors

Mr. Amitabh Parekh.....Chairman & Managing Director
Mr. Rashmikant Trivedi.....Director
Mr. Rajendra Gothi.....Director
Mr. Kiran C. Parikh.....Director

Registered Office

601, Auto Commerce House,
Kennedy Bridge, Nana Chowk,
Mumbai-400 007, INDIA
Tel.Nos. +91-22-23893814/23893815
Fax Nos. +91-22-23851075

Bankers

Bank of India
D. N. Road Branch
D. N. Road,
Mumbai-400 001.

Auditors

M/s. C.V. Pabari & Co.,
Chartered Accountants,
B-201, Labh Ashish,
Old Police Lane, Andheri (E)
Mumbai-400 069.

Manufacturing Units

Unit I → Survey No.207, Plot No.4,
Near Dadra Check Post,
Village Dadra-396 191
U.T. of D. & N.H.

Unit II → Survey No.204/1, Plot No.2,
Near Dadra Check Post,
Village Dadra-396 191
U.T. of D. & N.H.



NOTICE

NOTICE is hereby given that the **Ninth Annual General Meeting** of the members of **Parekh Aluminex Limited** will be held at W.I.A.A. Club Ltd., B. G. Kher Marg, Mumbai-400 006 on **Saturday, 23rd day of August, 2003 at 9.00 AM** to transact inter-alia, the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited annual accounts of the company for the year ended 31-3-2003 together with Auditor's and Director's reports thereon.
2. To declare dividend.
3. To appoint a director in place of Mr. Rajendra Gothi who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint auditors from the conclusion of this Annual general meeting up to the conclusion of the next Annual general Meeting and authorize the audit committee of the board of directors to fix their remuneration.

SPECIAL BUSINESS:

- 5) To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Kiran C. Parikh, who was appointed as an additional director by the Board of Director and who holds the office up to the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of the directorship, be and is hereby appointed as a Director of the company who shall be liable to retire by rotation."

- 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 Section 94 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956 ("The Act") (including any statutory modification or re-enactment thereof, for the time being in force), the Authorised Share Capital of the Company be and is hereby increased from Rs.5,25,00,000/- (Rupees Five crore twenty five lacs) only divided into 52,50,000 (Fifty two lacs fifty thousand) Equity Shares of Rs.10/- (Rupees Ten) only each to Rs. 12,00,00,000/- (Rupees Twelve crores) only divided into 1,20,00,000/-(One Crore Twenty Lacs) Equity Shares of Rs. 10/- (Rupees Ten) only each by creation of an additional 67,50,000 Equity Shares of Rs. 10/- (Rupees Ten) only for an aggregate amount of Rs. 6,75,00,000/-."

- 7) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 ("The Act") (including any statutory modification or re-enactment thereof, for the time being in force), the existing Clause V of the Memorandum of Association of the Company relating to Share Capital be and is hereby altered by deleting the same and substituting in its place and stead thereof the following new Clause V:

"The Share Capital of the Company is Rs.12,00,00,000/-(Rupees Twelve Crores) only divided into 1,20,00,000/-(One Crore twenty lacs) Equity Shares of Rs. 10/- (Rupees Ten) only each with such right, privileges and obligations as the company may determine from time to time with the power to increase, reduce, consolidate, sub-divide, convert, cancel, alter or otherwise re-organize the capital and to attach thereto such preferential, differential, qualified or special rights, privileges or conditions as may be determined from time to time and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may, for the time being be permitted by the Companies Act 1956."

- 8) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 31 (1) and other applicable provisions, if any, of the Companies Act, 1956 ("The Act") (including any statutory modification or re-enactment thereof, for the time being in force), the existing Clause 2.1 of the Articles of Association of the Company relating to Share Capital be and is hereby altered by deleting the same and substituting in its place and stead thereof the following new Clause 2.1:



“ The Share Capital of the Company is Rs.12,00,00,000/-(Rupees Twelve Crores) only divided into 1,20,00,000/- (One Crore twenty lacs) Equity Shares of Rs. 10/- (Rupees Ten) only each with power to increase or reduce the Capital of the Company and to divide the Shares in the Capital for the time being into one or more classes, and to attach thereto respectively such preferential, priority, differential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being in force, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may, for the time being as may be permitted by the Act, or provided by the Articles of Association of the Company.”

- 9) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (“The Act”) (including any statutory modification or re-enactment thereof, for the time being in force), Listing Agreements entered into by the Company with the Stock Exchanges where the Shares of the company are listed or to be listed and subject to all necessary approvals, consents, permissions and/or sanctions of the Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Financial Institutions, banks and all other appropriate and/or concerned Authorities, Institutions or Bodies, if any, and subject to any conditions and modifications as may be prescribed by any one or more of them while granting any such approval, consent, permission or sanctions as agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”), which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution, the Board be and is hereby authorised on behalf of the Company with power to delegate such authority to such person or persons as the Board may deem fit, to issue/ offer and allot from time to time in one or more tranches, by way of private placement, public offer and / or preferential allotment and / or conversion of loan(s), securities and / or Warrants convertible into or representing Equity Shares and/or Fully/ Partly/ Optionally Convertible Debentures, with or without detachable or non-detachable Warrant and /or Warrants of any nature (hereinafter collectively referred to as “Securities”) to such class of persons being Indian Financial Institutions, Mutual Funds, Insurance Companies, Indian and /or Foreign Banks, Foreign Companies, Overseas Corporate Bodies, Foreign Institutional Investors, Private Equity Funds, existing Indian Promoters and their relatives, associates and associate companies, Foreign Nationals, Resident and Non Resident Indians, and such other persons, whether or not such investors are members of the Company, which upon exercise and/or conversion of all Securities so issued or allotted would ultimately result in an increase in the paid-up Equity Capital of the Company by an amount not exceeding Rs.8,00,00,000/-(Rupees Eight Crores) only (excluding such premium as may be determined) and such issues and allotment to be made within prescribed time limit from the date of this resolution in such manner and in such form and at such price as the board may determine in the interest of the company.

RESOLVED FURTHER THAT such of the securities to be issued, which are not subscribed to may be disposed of by the Board / Committee thereof, to such persons and in such manner and on such terms as the Board / Committee thereof in its absolute discretion think most beneficial to the company including offering or placing them with Banks / Financial institutions / Investment institutions / Mutual Funds / Foreign institutional Investors or such other persons or otherwise as the Board or Committee thereof may in its absolute discretion decide .

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board / Committee, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer / issue, allotment, refund and utilization of the proceeds of the issue of the Securities and further to do all such acts, deeds, matters and things and to finalise and execute all documents, papers, agreements, deeds and writings as may be necessary, desirable or expedient as it may deem fit.”

- 10) To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION** :

“ RESOLVED THAT the consent of the company be and is hereby accorded, under Section 293(1)(d) and other applicable provisions, of the Companies Act, 1956 (“The Act”) (including any statutory modification or re-enactment thereof, for the time being in force), and the Articles of Association of the company, to the Board of Directors of the Company (“the Board”) to borrow any sum(s) of monies from time to time, where the monies to be borrowed, together with the monies already borrowed by the company (apart from the temporary loans obtained or to be obtained from the company’s bankers in the ordinary course of business) may exceed at any time the aggregate of the paid up share capital of the company and its free reserves (that is to say, reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not at any time exceed Rs.100 crores (Rupees One Hundred crores) and that the board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such money borrowed / to be borrowed, from time to time, in respect of rate of interest, repayment period, charges, expenses and security or otherwise howsoever as it may deem fit, as also to execute all such deeds and documents as may be necessary, usual or expedient for this purpose.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be considered necessary, usual 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 the consent of the company be and is hereby accorded under Section 293(1)(a) and all other applicable provisions of the Companies Act, 1956 (“The Act”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) to the Board of Directors of the Company (“the Board”) for creation of charge and to mortgage all or any part of the movable and immovable properties and assets of the Company wherever situated (in addition to charges / mortgages already created), both present and future, and the whole or substantially the whole of the undertaking of the Company together with the power to take over the management of the business and concern of the company in certain events of default (save and except the current assets that are or may be hypothecated and / or pledged in favour of the Company’s bankers for securing borrowings for working capital requirements) on such terms and conditions as the Board may deem fit in favour of one or more bank(s) and / or financial institution(s), Lender(s), Agent(s) and/or Trustee(s) for securing the loan(s) / borrowings of the company availed / to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/partly Convertible Debentures and / or Non-Convertible Debentures with or without detachable warrant and / or other debt instruments) issued / to be issued whether on a rights basis to the members of the Company and/or otherwise to the public and/or to any other person(s) / lenders, for a sum not exceeding Rs.100 crore (Rupees One Hundred crores) plus interest at the agreed rate, commitment charges, fluctuation in exchange rate, and other charges / expenses thereon, if any, as may be stipulated in that behalf in terms of any Loan Agreement /Letter of Sanction / Memorandum of Terms and Conditions/ Debenture Trust Deed entered into/to be entered into by the Company in respect of such term loans and/or debentures and agreed to by and between the Board and the lenders / trustees;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to finalise with such bank(s) / financial institution(s) / trustees of debenture holders and/or any other lender(s) / person(s), the documents for creating the aforesaid mortgage and /or charge and to do all such acts, deeds, agreements, matters and things including any change(s), amendment(s) or modification(s) therein, as it may in its absolute discretion deem fit and proper”.

- 12) To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT in accordance with the provision of Sections 198, 269, 309,310 and all other applicable provisions, if any of the Companies Act, 1956 (“ the Act ”), (including any statutory modification or re-enactment thereof for the time being in force), and subject to the limits specified in Scheduled XIII to the said Act, the Company hereby approves the payment of enhanced remuneration (whether payable by way of monthly salary or by way of specified percentage of net profit of the company or partly by one way and partly by the other) to Mr. Amitabh Arun Parekh, the Chairman & Managing Director of the company, from 1st April, 2003, for the remainder of the tenure of his contract [i.e. up to 28-08-2004] on the terms and conditions including remuneration as are set out in the resolution passed by the board of directors (hereafter called “the said resolution”) a copy whereof is placed before this meeting and is hereby specifically sanctioned with liberty to the Boards of Directors to alter and vary the terms and condition specified in the said resolution so as not to exceeds the limits specified in the schedule XIII to the Companies Act,1956, including any statutory modification or re-enactment thereof, for the time being in force or any amendment or modification hereafter be made thereto by the Central Government or any other statutory authority and as may be agreed upon between the Board of Directors and Mr. Amitabh Arun Parekh.

RESOLVED FURTHER THAT where in any financial year closing on and after 1st day of April, 2003, the company has no profit or its profit are inadequate, the company may pay to Mr. Amitabh Arun Parekh remuneration by way of salary, perquisites and other allowance not exceeding the ceiling limit of Rs.12,00,000 per annum or Rs. 1,00,000 per month and in addition to the perquisites not exceeding the limit specified under Section II of Part II of Schedule XII to the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration including the salary, commission, perquisites, allowance etc. within such prescribed limit or ceiling and the aforesaid draft Agreement between the Company and Mr. Amitabh Arun Parekh be suitably amended to give effect to such modification, relaxation or variation without any further reference to the company in general meeting .

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution”

- 13) To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**

“RESOLVED THAT pursuant to the provisions of Section 163 of the Companies Act, 1956 (“The Act”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and other applicable provisions, if any, of the said Act, the consent of the company be and is hereby accorded to the company to keep and maintain certain Statutory Registers, Certificates and other documents like Register of Members, Share Transfer Register, Index of Members etc. as specified in Sec.163 (1) of the Companies Act, 1956, with the Registrar & Share Transfer Agent of the company M/s. Tata Share Registry



Limited registered with Securities & Exchange Board of India (SEBI) at any of it's offices within the city limits of Mumbai".

By Order of the Board

Sd/-
(Amitabh Parekh)
Chairman & Managing Director

Registered Office:

601, Auto Commerce House,
Kennedy Bridge, Nana Chowk,
Mumbai-400 007

Date : 14th June, 2003.

Place: Mumbai

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out material facts in respect of **Special Business** specified in para 5 to 13 is annexed hereto.
3. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
4. The members are requested to notify any change in their addresses to the company immediately. Members are further requested to notify the company the name of their Bankers, Branch and Account Number for the safety of their Dividend Warrant in transit. In all correspondence with the company or it's Registrar, members should invariably quote their Register Folio Number for prompt action.
5. Register of Members and Share Transfer Register will remain closed from Friday, 15th August, 2003 to Saturday, 30th August, 2003 (both days inclusive). All valid share transfers received up to 14th August, 2003 will be accepted by the company for transfer purpose.
6. Members are requested to bring their copies of the Annual Report to the meeting.
7. Consequent to introduction of Section 109A of the Companies act, 1956, members are entitled to make Nomination in respect of equity shares held by them in physical form. Members desirous of making nomination are requested to submit the Nomination Form (2B) enclosed with this Notice per instructions mentioned therein.
8. Company's shares have compulsorily gone in for dematerialisation since March, 2001. Hence, those members who want to opt for dematerialisation are requested to follow the procedure prescribed in this respect.
9. Members holding shares in electronic form may please note that their bank account details as furnished by the respective Depositories to the company will be printed on dividend warrant/cheque/DD as per the applicable regulations of the Depositories and the company will not entertain any direct request from such members for deletion of / change in such bank account details.
10. Members seeking any information/clarification on accounts are requested to write to the company at an early date to enable the management to keep the information ready.
11. Members / Proxies should bring the attendance slip duly filled in for attending the meeting. They should invariably write their Folio No. / DP Identity No. and Client Identity No. in such slip.
12. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. Re-appointment of Directors

At the ensuing Annual General Meeting, Mr. Rajendra Gothi retires by rotation and being eligible, offers himself for re-



appointment. Pursuant to Clause 49 of the Listing Agreement, the particulars of the aforesaid Director is given below:

Particulars of Director seeking re-election :

| | | |
|-------------------------|---|--|
| Name of the Director | : | Mr. Rajendra Gothi |
| Date of Birth | : | 11.07.1961 |
| Ed. Qualification | : | B. Com. |
| Other Directorship | : | None |
| Member of the Committee | : | (a) Investors Grievance and Share Transfer Committee (Chairman) (b) Audit Committee (Member) |

Mr. Rajendra Gothi is a businessman with more than 20 years business experience to his credit. He has been associated with the company since 1995. His managerial experience and guidance with respect to business growth and expansion has significantly helped the company since inception.

Explanatory Statement U/s. 173(2) of the Companies Act, 1956.

The Explanatory Statement in respect of Special Business specified in para 5 to 13 of the accompanying Notice set out here-in-above is as under:

Item No. 5

Particulars of Director being appointed:

| | | |
|-------------------------|---|--|
| Name of the Director | : | Mr. Kiran Chandulal Parikh |
| Date of Birth | : | 16.12.1940 |
| Ed. Qualification | : | B. A., D.P.Ed. |
| Other Directorship | : | None |
| Member of the Committee | : | (a) Investors Grievance and Share Transfer Committee (Member) (b) Audit Committee (Member) |

Mr. Kiran C. Parikh is an Ex-Principal and active social worker. He has rich experience of organization and administration to his credit. He is knowledgeable in inter personal relationship in human behaviour. The company is expected to greatly benefit from his knowledge and experience especially when it is implementing a large expansion program which will call for good administrative ability of the management. Therefore, in the opinion of the board, it would be in the best interest of the company to appoint Mr. Kiran C. Parikh as the director of the company and therefore unanimously recommend the Ordinary Resolution contained in item no. 5 of the accompanying Notice to appoint him as the director of the company.

None of the director of the company except Mr. Kiran C. Parikh may be considered to be concerned or interested in the said resolution.

Item No. 6

The authorised share capital of the company presently stands at Rs. 5,25,00,000/- (Rupees Five Crores twenty five lacs) only divided into 52,50,000 Equity Shares of Rs. 10/- each. The Company proposes to issue up to an additional 80,00,000 Equity Shares of Rs. 10/- each aggregating Rs. 8,00,00,000/- to prospective investors (including existing shareholders) at such price and on such terms and conditions as the board may deem fit but subject to the provision of the applicable Acts / Guidelines / Regulations etc. to raise capital to implement the proposed expansion plan.

In view of above, your directors recommend to increase the authorised shares capital of the Company from Rs. 5,25,00,000/- (Rupees Five Crores twenty five lacs) only to Rs. 12,00,00,000/- (Rupees Twelve Crores) only divided into 1,20,00,000 Equity Shares of Rs. 10/- each.

The Board recommends passing of the resolution as per Item No. 6 of the notice for your approval.

None of the Directors of the Company is in any way concerned or interested in the said resolution.