

BOARD OF DIRECTORS

Chand Seth – Chairman & Managing Director

Harish Seth – Managing Director

B.B. Mathur – Director

Ashok Khanna – Director

ASSISTANT COMPANY SECRETARY

Pallavi Vardhan

AUDITORS

J.C. Bhalla & Co.

B-5, Sector 6, Noida-201301 (UP)

REGISTERED OFFICE & WORKS

D-17, M.I.D.C. Indl. Area,
Kurkumbh, Taluk Daund,
Distt. Pune - 413 802
Maharashtra.

HEAD OFFICE & INVESTORS' SERVICE CELL

703 Rohit House
3 Tolstoy Marg, Connaught Place
New Delhi - 110 001
Tel. : 43517917
Fax : 43517596
Email - pearl@pearlpet.net
- investor_helpdesk@pearlpet.net

REGISTRAR & SHARE TRANSFER AGENT

MAS Services Ltd.

T-34, IIInd Floor,
Okhla Industrial Area, Phase-II
New Delhi – 110 020
Ph : 26387281/82/83
Fax : 011-26387384
Email : mas_serv@yahoo.com

16th ANNUAL GENERAL MEETING

DATE : 24th September, 2010
DAY : Friday
TIME : 2:30 P.M.
PLACE : D-17, M.I.D.C. Indl. Area
Kurkumbh, Taluk Daund,
Distt. Pune - 413 802
Maharashtra

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NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Members of the Company will be held on **Friday, the 24th day of September, 2010 at 2.30 P.M. at D-17, MIDC INDUSTRIAL AREA, KURKUMBH, TALUK DAUND DIST., PUNE-413802**, the Registered Office of the Company to transact the following business:-

ORDINARY BUSINESS

- 1. Adoption of Accounts:** 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 Directors' and Auditors' Reports thereon.
- 2. Re-appointment of Mr. Ashok Khanna, Director:** To appoint a Director in place of Mr. Ashok Khanna, who retires by rotation and being eligible, offers himself for re-appointment.
- 3. Appointment of Statutory Auditors:** To consider appointment of the Statutory Auditors and fix their remuneration 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 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. J.C Bhalla & Co., Chartered Accountants (Firm Registration No.001111N) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration (including terms of payment) to be fixed by the Board of Directors of the Company, based on recommendation of the Audit Committee, plus service tax and such other tax(es), as, may be applicable and reimbursement of all out of pocket expenses in connection with the audit of the Books of Accounts of the Company for the financial year 2010-2011."

By order of the Board of Directors

For PEARL ENGINEERING POLYMERS LIMITED

Place: New Delhi **CS. PALLAVI VARDHAN**
Date: 12th August, 2010 **Asst. Company Secretary**

Registered office :
D-17, MIDC Industrial Area,
Kurkumbh, Taluk Daund
Dist., Pune-413802 (Maharashtra)

NOTES :

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing a PROXY should be deposited at the Company's Registered Office not less than 48 hours before the time fixed for holding the Annual General Meeting.

- 2.** The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 2010 to 24th September, 2010 (both days inclusive).
- 3.** Members are requested to bring their Attendance Slips, duly filled in along with their copy of Annual Report to the Annual General Meeting. As a measure of economy, copies of Annual Report will not be distributed at the Meeting.
- 4.** Members holding shares in the dematerialised form are requested to mention their Client ID and DP ID and those holding shares in physical form are requested to mention their Folio numbers on the Attendance slip and hand over the same at the entrance of the Meeting Hall for attending the meeting.
- 5.** In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
- 6.** Members holding shares in physical form either in multiple folios with identical names or joint holdings in the same order are requested to send their Share Certificates to the Company's Registrar and Share Transfer Agent for consolidation into a single folio at the following address:

M/s. MAS Services Limited

T-34, IInd Floor, Okhla Industrial Area,

Phase- II, New Delhi – 110 020

Phone No. : 011- 26387281/82/83

Fax : 011- 26387384

E-mail : mas_serv@yahoo.com

7. The Company's shares are admitted in both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for custody and dematerialization of securities. Members can avail of the depository facilities by approaching any of the Depository Participants (DPs) of NSDL or CDSL or by approaching the RTA of the Company.
8. Members desirous of seeking any information from the Company are requested to send their queries to the Company at its Head office at 703, Rohit House, 3, Tolstoy Marg, Connaught Place, New Delhi- 110 001 well in advance so that the same may reach at least ten days before the date of the meeting to enable the Company to keep the information readily available at the Meeting.
9. **Exchange of Old Share Certificates:** Pursuant to BIFR Order, the Share Capital of the Company was reduced by 60% and accordingly the Company issued new share certificates in exchange of the old certificates held by the shareholders. The old certificates are no more tradeable in the market and are not accepted for dematerialization by the Depositories. Accordingly, the holders of such certificates who have not exchanged their share certificates may surrender the old certificates to the Company or the RTA to enable the Company to issue new certificate in exchange thereof as per the entitlement. In case of any clarifications, the investor may contact with Secretarial Department at the following address:

SECRETARIAL DEPARTMENT

703 Rohit House, 3, Tolstoy Marg,
Connaught Place, New Delhi- 110001.
Investor_helpdesk@pearlpel.net

**INFORMATION REQUIRED TO BE FURNISHED UNDER
THE LISTING AGREEMENT**

As required by Clause 49 of the Listing Agreement, the relevant details of Mr. Ashok Khanna, Director retiring by rotation and seeking re-appointment under Item no. 2 of the notice is given below:

NAME : Mr. Ashok Khanna
AGE : 65 Years
QUALIFICATION : B. Tech in Mechanical &
Industrial Engineering, IIT
Madras
**NUMBER OF
SHARES HELD** : 1000 Equity Shares

EXPERTISE IN SPECIFIC FUNCTIONAL AREA :

He is an Industrialist, has done B. Tech (Mech & Industrial Engg.) from IIT Madras. Being on the Board of various companies he has a vast experience in the industry.

He is the Chairman of the Audit Committee and the Shareholders' and Investors' Grievances Committee constituted by the Company.

DIRECTORSHIP HELD IN OTHER COMPANIES :

- Controls & Switchgear Co. Ltd.,
- Controls & Switchgear Contractors Ltd.,
- RS Components & Controls (I) Ltd.,
- Wago & Controls (I) Ltd.
- Controls & Switchgear (Uttaranchal) Pvt. Ltd.
- Margdarshak Finance Pvt. Ltd.
- Controls & Switchgear Himinsa Pvt. Ltd.
- C&S Efacec MV India Pvt. Ltd.

**MEMBERSHIPS/CHAIRMANSHIPS OF COMMITTEES
ACROSS ALL PUBLIC COMPANIES**

- Pearl Engineering Polymers Ltd.

By order of the Board of Directors
For PEARL ENGINEERING POLYMERS LIMITED

Place: New Delhi
Date: 12th August, 2010

CS. PALLAVI VARDHAN
Asst. Company Secretary

Registered office :
D-17, MIDC Industrial Area,
Kurkumbh, Taluk Daund
Dist., Pune-413802
(Maharashtra)

DIRECTORS' REPORT & MANAGEMENT ANALYSIS

Dear Members,

Your Directors are pleased to present the Sixteenth Annual Report and Audited Annual Accounts for the Financial Year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

The financial performance of the Company, for the year ended 31st March, 2010 is summarized below:

(Amount in Rs '000)

PARTICULARS	For the Year Ended 31 st March, 2010	For the Year Ended 31 st March 2009
Net Sales	1395418	1632989
Other Income	20792	13130
Total Income	1416210	1646119
Total Expenditure	1445311	1600294
Profit/(Loss) before Depreciation & Tax	(29101)	45825
- Exceptional/ Extra-ordinary Items	18492	(33973)
- Depreciation	(48582)	(47781)
- Tax Expense	(26)	(1151)
Net Profit/(Loss) after Depreciation & Tax	(59217)	(37080)

MANAGEMENT DISCUSSION AND ANALYSIS

Highlights of Financial and Business Performance

During the year, the Company incurred a Net loss of Rs. 592.17 Lacs. The losses were mainly on account of reduction in sales that caused a decline in the operating income of the Company. The reduced sales were due to cash flow constraints and at times due to lack of availability of raw materials. Anticipating that the falling raw material costs would keep pulling polyester chip prices further down, it was considered prudent to trim down sales. During such period of sluggish demand, increasing crude oil prices and falling feedstock prices, the Company reported a Gross turnover of Rs.14740.95 lacs against a gross turnover of Rs.17336.04 lacs in the previous year.

Amidst fluctuating feedstock prices and anticipating a further volatility, your company thought it fit to maintain minimal inventories. Also the Company had to shut down its factory for Annual maintenance, affecting the production levels further. The Company lowered the production levels against the lowered demand of Pet Chips in the market and achieved production of 22731.196 MT during the year compared to 26000.245 MT in the previous year.

Dividend

In absence of availability of distributable profits, the Directors regret their inability to recommend dividend on Equity Shares of the Company for the year ended 31st March, 2010.

Industry Structure and Business

Pearl Engineering is a manufacturer of PET Resin (Bottle and Super Bright Textile Grade) and has its production facility located at Kurkumbh, Pune in Maharashtra. It is a raw material supplier for containers used for packaging of numerous items including carbonated soft drinks, mineral water, edible oil, juices, personal care products, dairy & alcoholic beverages, pharmaceuticals, toiletries etc.

Attributes like transparency, lightweight, break-resistant & heat-resistant characteristics and above all its safe-to-use feature has made "PET Resin" the most preferred material of the FMCGs in the Packaging Industry. With ever-increasing consumer products and their multiple packaging schemes, your Directors foresee a growing market for its end product- PET Resin.

Economic Scenario and Outlook

As the world economy recovers, PET industry finds itself passing through a period of transformation. Though, the recession caused a slowdown in many markets globally, the Indian economies were affected to a lesser extent. However, it caused unprecedented levels of fluctuations in commodity prices which impacted the sales worldwide.

PET markets too had borne the brunt of the global economic slump and market growth slowed to 3.4% in 2009. Polyester chip margins went down in Asian region, pulled by weak PTA and falling feedstock cost. As a consequence of dip in feedstock costs, PET resin prices too remained lower during the earlier part of the year, but gradually increased thereafter and were in the range \$985/MT to \$1300/MT during the year.

Further, the polyester chip market kept consolidating with a downtrend in the Asian region. Although enquiries increased, buyers remained cautious and sidelined with a low buying interest, continuing to buy at hand to mouth levels, despite the fact that most of them had started to run their plants at higher rates in expectation of a recovery in PET demand with high season for beverage bottles drawing near. The tightening credit controls also made buyers cautious on their purchases before they could see a real improvement on their end businesses. Besides the ongoing structural change in the market, light-weighting continued to be prevalent, whereby the manufacturers reduced the amount of PET resin content in their product by 30-50%.

However, amidst such conditions the demand for PET Resin has improved, though scantily from some market sectors, still much lower in comparison to last year but is expected to grow at 7.5% during the next year. Bottle grade chips have picked up and range around 1055- 1065 \$/ ton. PET (Polyethylene Terephthalate) being a highly versatile and energy efficient packaging material, is irreplaceable in the FMGC industry. Accordingly, despite current market situation there remains a substantial long-term growth potential for PET.

Opportunity and Threats

The industry continues to witness new capacity additions accompanied by a low demand growth, forcing PET margins to remain at breakeven. To add to the challenges further, concepts like light-weighting and increased use of recycled PET have set its feet affecting the PET demand further.

However, attributes like lightweight, break and heat resistance and safe to use features, have made PET Market, recession resistant. Further, with increasing population, urbanization, increasing disposable urban incomes, growth in FMCG sector and usage of PET over other traditional materials like glass etc. opportunities for PET Industry are expected to increase.

Due to softness of conversion margins in Super Bright Textile Grade & Bottle Grade, the Company is making efforts towards developing specialty grade resins where company expects better margins.

Risk Management

The company has mapped and identified risks and formulated a risk management and mitigation system to identify, assess, prioritize and mitigate risk. The risks are periodically assessed and reviewed and corrective actions are taken to mitigate effects.

Internal Control System

The Company has a robust internal control system in place to provide assurance regarding effectiveness and adequacy of controls and compliance with policies and procedures laid down in the Company. An extensive program of internal audit and management review supplements the process of internal control. M/s Khanna & Mathur, Chartered Accountants who are appointed as the Internal Auditors independently evaluate the effectiveness and adequacy of internal control system established in the company by conducting audit of the transactions in the Company.

Independence of the audit conducted is ensured by reporting of the internal audit findings via periodic internal audit reports alongwith the Management comments thereon to the Audit committee and the Board of Directors. Further the CEO/ CFO certification also confirms the adequacy of internal control system and procedures in the Company.

CAUTIONARY STATEMENT

Certain statements in this section may be forward looking and be based on expectations/ projections about the future. Company's actual results, performance could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any of such forward looking statements on the basis of subsequent developments, information or events.

LISTING OF EQUITY SHARES

The equity shares are listed on the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd (NSE).

HUMAN RESOURCE/INDUSTRIAL RELATION

The Company continued with its initiatives to foster people development, harness their creativity and ensure a motivated and contented work team. Your Company is privileged to have the right blend of professionals and executives in the organization and makes sincere efforts to ensure numerous opportunities for their growth in the organization.

The Industrial relations at all levels of the Company have remained cordial during the year. As on 31st March, 2010 the Company had an employee strength of 145.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A and 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

DIRECTORS

During the year, Mr. Dinesh Chandra Kothri, Director resigned from the Board w.e.f 12th November, 2009. The Board placed on record its deep sense of appreciation for the invaluable contribution made by Mr. Dinesh Chandra Kothari as a Non- Executive & Independent Director on the Board.

Mr. Ashok Khanna, Director retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Brief resume of the director offering himself for re-appointment is furnished in the statement annexed to the Notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- Ø In preparation of Annual Accounts, the applicable Accounting Standards have been followed.
- Ø The Accounting Policies selected, have been applied consistently and judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2010 and of the loss of the Company for the year ended on that date;
- Ø Proper and sufficient care has been taken for maintenance of adequate Accounting Records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting frauds and other irregularities;
- Ø The Annual Accounts of the Company have been prepared on a "Going Concern Basis"

AUDITORS

M/s J.C.Bhalla & Co., Chartered Accountants, Statutory Auditors of the Company hold office until conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have expressed their willingness to continue as the Statutory Auditors, if re-appointed at the Annual General Meeting to hold office until the conclusion of the next Annual General Meeting.

The Company has received from the auditors, a Certificate stating that their appointment, if made, would be within the prescribed limit under section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

AUDITORS' REPORT

The notes to Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

CLARIFICATION TO REMARKS CONTAINED IN POINT 4 (f) OF THE AUDITORS' REPORT

Point 4 (f): Based on the legal opinion given by the legal advisors of the Company, the Foreign Financial Institution (AFIC) or its Assignee, cannot enforce any outstanding against the Company in any court of law despite existence of debt, as the same has become a time barred debt under provisions of the Limitations Act, 1963. Based on the said opinion of the advisors, the outstanding by way of secured and unsecured loan and interest aggregating to Rs. 1,61,924 thousands thereon has been shown as an "Erstwhile loan barred by limitation" in the Balance Sheet of the Company for the financial Year ended 31st March, 2010.

CORPORATE SOCIAL RESPONSIBILITY

As a socially responsive organization, your Company is committed to ensuring well being of the communities around it while recognizing interest of all its shareholders, consumers, employees, and suppliers at all times. During the year, your Company continued with the following initiatives:

Safety : During the year, 39th National safety week was observed from 4th to 11th of March, 2010 to sensitize employees towards safer work practices and habits. Safety pledge was taken by all employees. Various competitions like safety slogan writing and poster making were organized during the week and category wise prizes were awarded to the winners.

Training : During the year, various training programs were organized at the plant. Fire fighting drills & rescue operations were conducted by the staff and workers at MIDC. Special training on First Aid was also imparted during the period. A special training on Ball bearings for technical employees was conducted in co-operation with M/s. New Ball Bearing Company – the authorized representative for SKF bearings.

Environment : The Company organized the World Environment day on 5th June, 2010 thereby promoting awareness for a clean, green and healthy environment amongst the employees and planting 50 trees to spread the spirit of Go Green.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The statement of particulars relating to conservation of energy, technology absorption and Foreign exchange earnings & outgo, prescribed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in Report of Board of Directors) Rules, 1988 form part of this Report as **Annexure-I**.

PERSONNEL

The statement of particulars of employees, prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, form part of this report as **Annexure-II**.

CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good Corporate Governance practices. Your Company adheres to all major stipulations laid down in this regard, as provided in Clause 49 of the Listing Agreement with Stock Exchanges, which relates to Corporate Governance.

A report on Corporate Governance along with the Certificate from the Statutory Auditors of the Company certifying due compliance with the said requirements, forms part of this report

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the assistance and co-operation received from financial institutions, Banks and Governmental & Non- Governmental authorities and thank all members for their continued support and confidence reposed in the management. Your Directors also wish to express deep sense of appreciation for the commitment and dedication shown by the entire work team at Pearl Engineering.

On behalf of the Board of Directors
For PEARL ENGINEERING POLYMERS LIMITED

Place : New Delhi
Date : 12th August, 2010

Chand Seth
Chairman & Managing Director

ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE-I

STATEMENT OF PARTICULARS WITH RESPECT TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN ACCORDANCE WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY

a) Energy Conservation measures taken :

- 1) Lighting transformer was fitted.
- 2) One primary HTM pump & HTM Heater was stopped, out of the two installed at the plant.
- 3) Energy conservation was achieved in SSP drives

b) Additional Investments and Proposals, if any, being implemented for reduction of consumption of energy :

- Bepex crystallizer was procured for reducing processing time of new specialty grades.

c) Impact of measures taken already and proposed vide (a) & (b) above:

- There was a saving of Rs 6 lacs in terms of electricity

d) Total energy consumption and consumption per unit of production as per Form A is given below

FORM A

Form for Disclosure of Particulars with respect to Conservation of Energy

	Year ended 2009 - 10	Year ended 2008- 09
A. POWER AND FUEL CONSUMPTION		
1. Electricity		
a) Purchased		
Units (in '000 Kwh)	9438	10065
Total amount (Rs. in lacs)	469.29	467.12
Rate/Unit (Rs.)	4.97	4.64
b) Own Generation		
(i) Through Diesel Generator		
Units (in '000 Kwh)	43	55
Units per litre of Oil	2.72	2.81
Cost /Unit (Rs.)	12.64	12.03
(ii) Through steam turbine/generator		
Units (in '000 Kwh)	N.A.	N.A.
Units per litre of Fuel Oil/Gas		
Cost /Unit (Rs.)		
2. Fuel Oils (FO, FOLV, LDO, HSD)		
Quantity (Kilo Litre)*	1994	2227
Total cost (Rs. in Lacs)	497.55	551.24
Average rate/litre (Rs.)	24.95	24.74
* including fuel used for power generation.		
3. Coal / Coke	N.A	N.A
Quantity (MT)		
Total cost (Rs. in Lacs)		
Average Rate/Kg. (Rs.)		
4. Others/Internal Generation	N.A	N.A
Quantity (MT)		
Total cost (Rs. in Lacs)		
Average rate/Kg. (Rs.)		

B. CONSUMPTION PER UNIT OF PRODUCTION

PET Resin production (MT)	22560.195	26030.642 MT
1. Electricity	418 Kwh/MT	387 Kwh/MT
2. Fuel Oils	88 Ltr./MT	86 Ltr./MT
3. Coal	N.A.	N.A.
4. Others	N.A.	N.A.

B. EFFORTS MADE IN TECHNOLOGY ABSORPTION AS PER FORM B GIVEN BELOW:

FORM – B

Form of Disclosure of Particulars with respect to Technology Absorption 2009-10

1. RESEARCH & DEVELOPMENT (R&D)

a) Specific areas in which Research & Development was carried out by the Company

- R & D was done to Develop Specialty Polymer for a) Extrusion blow molding b) Injection blow molding to replace thermoforming c) LOW melt PET applications d) Heat sealable applications

b) Benefits derived

- The Company was able to achieve Commercialized Sealpet grade
- Others grades are under trials with various customers

c) Future Plan of Action :

- More emphasis is on developing specialty grades and commercializing already developed grades

d) Expenditure on R & D :

- The company incurred an expenditure of Rs 120 Lacs in setting up pilot plant facility
- About Rs 20 lacs was incurred in operating pilot plant and testing products

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

a) Efforts made, in brief, towards technological absorption, adaptation and innovation

- Technology for new grade is being developed
- IPR actions are being taken
- Working with few well known overseas companies in developmental activities under confidentiality agreements

b) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.

- It will help marketing and operations of the Company get better
- We can switch over from the non remunerative commodities to remunerative Specialties.
- We can also earn from the Contract Research & Licensing ,based on patented products

c) Information regarding importing technology :

Nil

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

- Initiatives are being taken for exporting specialty grade

2. Total Foreign Exchange earnings and outgo:

(Rs. in '000)

Foreign Exchange Earnings (FOB) 59721

Foreign Exchange Outgo (on CIF Basis)

(i) On Imports

(a) Raw Material 23,303

(b) Stores & Spares 1,083

(ii) Others 3,613

ANNEXURE-II

INFORMATION U/S 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULAR OF EMPLOYEES) RULES, 1975 AS AMENDED AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2010.

A. Employed throughout the financial year under review and were in receipt of remuneration for the financial year in the aggregate of not less than Rs. 24,00,000/- p.a.:

Name	Remuneration received (in Rs.)	Designation / Nature of Duty	Qualifications & Experience	Date of Commencement of employment	Age (Years)	Last employment held	% of equity Shares held
Mr. Chand Seth*	31,86,000	CMD/overall supervision of day to day management of the Company	B.Tech, MS (Mech)	07-12-1992	66	None	0.56%

* Remuneration to Mr. Chand Seth has been paid w.e.f 1st July, 2009 subsequent to receipt of the Central Government approval vide its letter dated 30th June, 2009.

B. Employed for a part of the financial year under review and were in receipt of remuneration for that period in the aggregate of not less than Rs. 2,00,000/- per month : NIL

C. Employed throughout the financial year under review or part thereof and were in receipt of remuneration for that period at the rate in excess drawn by the Managing Director/Whole-time Director/ Manager and holds by himself or alongwith his spouse & dependent children not less than 2% of the equity shares of the Company : NIL

NOTES :

1. Remuneration Includes: Salary, Allowances and contribution to provident fund and superannuation fund.
2. Nature of Employment: Contractual
3. Other Terms & Conditions: As per service rules of the Company
4. Mr. Chand Seth, Chairman & Managing Director is related to Mr. Harish Seth, Managing Director of the Company.