

PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED

**22ND ANNUAL REPORT
2008 – 2009**

BOARD OF DIRECTORS :

Mr. Raj Prehar	: Chairman & Managing Director (upto 1st February, 2009)
Mr. Suresh Prehar	: Whole Time Director (upto 1st February, 2009)
Mr. Rajiv Datta	: Independent Non-Executive Director (upto 1st February, 2009)
Mr. Bali D. Yadav	: Independent Non- Executive Director (upto 1st February, 2009)
Mr. Ralph X. Pinto	: Independent Non- Executive Director (upto 1st February, 2009)
Mr. Anil Mistry	: Independent Non- Executive Director
Mr. Vipul P.Pathak	: Non-Executive Director (Promoter) (w.e.f 31st January, 2009)
Mr. Niyant R. Parikh	: Non Executive Director (Promoter) (w.e.f 31st January, 2009)
Mr. Vipul S. Trivedi	: Non-Executive Director (Promoter) (w.e.f 31st January, 2009)
Mr. Shankar Bhagat	: Independent Non-Ex. Director (w.e.f 31st January, 2009)

AUDITORS:

DULANI & Co.
Chartered Accountants,
Navi Mumbai.

CORPORATE GOVERNANCE REPORT:

HS Associates
Company Secretaries

BANKERS:

Bank of Maharashtra

REGISTRARS & SHARE TRANSFER AGENTS:

Purva Sharegistry India Pvt. Ltd.
9, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Opp. Kasturba Hospital,
Lower Parel (East), Mumbai - 400 011
Tel No. 2301 6761 / 2301 8261 Fax: 2301 2517
Email: busicomp@vsnl.com

REGISTERED OFFICE & WORKS:

1st Floor, Neelkanth Shopping Centre,
Corner Cama Lane, M.G. Road,
Ghatkopar (West), Mumbai - 400086

SHARES LISTED AT:

Bombay Stock Exchange Limited
Ahmedabad Stock Exchange Limited

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 22ND ANNUAL GENERAL MEETING OF THE MEMBERS OF PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED WILL BE HELD ON WEDNESDAY THE 30TH DAY OF SEPTEMBER, 2009 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 1ST FLOOR, NEELKANTH SHOPPING CENTRE, CORNER CAMA LANE, M.G. ROAD, GHATKOPAR (WEST), MUMBAI - 400086 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended **31st March, 2009** along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Anil Mistry** Director of the Company who retires by rotation & being eligible offers himself for re-appointment.
3. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution.**

"RESOLVED THAT Mr. Niyant Ravindra Parikh, who was appointed as an Additional Director w.e.f. 31st January, 2009, and who holds office upto the date of the 22nd Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the Company has received a notice in writing from a member under section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."

5. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution.**

"RESOLVED THAT Mr. Vipul S. Trivedi, who was appointed as an Additional Director w.e.f. 31st January, 2009, and who holds office upto the date of the 22nd Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the company has received a notice in writing from a member under section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."

6. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution.**

"RESOLVED THAT Mr. Vipul P. Pathak, who was appointed as an Additional Director w.e.f. 31st January, 2009, and who holds office upto the date of the 22nd Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the company has received a notice in writing from a member under section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."

7. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution.**

"RESOLVED THAT Mr. Shankar Bhagat, who was appointed as an Additional Independent Non-Executive Director w.e.f. 31st January, 2009, and who holds office upto the date of the 22nd Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the company has received a notice in writing from a member under section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."

8. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution.**

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company is hereby accorded to the appointment of Mr. Vipul P. Pathak as a Managing Director of the Company for a period of 5 (Five) years with effect from 1st October, **2009** on the terms and conditions including remuneration contained in the draft agreement approved by a resolution passed by Remuneration Committee and Board of Directors of the Company and as set out in the Explanatory Statement attached to this Notice, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement."

PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED

"RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Executive Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Managing Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time."

"RESOLVED FURTHER THAT Board is also authorised to vary, revise the said remuneration of the Managing Director from time to time within the limits of Schedule XIII, of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby singly or severally authorized to take all such steps 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, the following resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to Section 163(1) of the Companies Act, 1956 the Company hereby accords its approval that the Register of Members, Index of Members and copies of Annual Returns prepared under Section 159 together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Companies Act, 1956 or any one or more of them, be kept at the office of Company's Registrars and Share Transfer Agent, viz., M/s. Purva Share Registry India Private Limited, 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011, instead of being kept at the Registered Office of the Company".

10. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board" and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) for borrowing from time to time, as it may think fit, any sum or sums of money not exceeding Rs. 50 Crore (Rupees Fifty Crore only) on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business), exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT the Board be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money but not exceeding Rs. 50 Crore (Rupees Fifty Crore only), in aggregate or equivalent thereto in any foreign currency (including the monies already borrowed by the Company), on such security and on such terms and conditions as the Board may deem fit, by way of loans from, or issue of Bonds, Debentures or other Securities whether Convertible into Equity/Preference Shares and/or Securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe to Equity/Preference Shares (hereinafter referred to as "securities"), to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution."

BY ORDER OF THE BOARD

PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED

Date : 02.09.2009
Place : Mumbai

Sd/-
Vipul P. Pathak
(Director)

ANNUAL REPORT 2008-2009**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies, in order to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and Share Transfer Register shall remain closed from Wednesday the 23rd September, 2009 to the Wednesday the 30th September, 2009 (both days inclusive)
4. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. The copy of Agreement for appointment of Managing Director entered between the Company and Mr. Vipul Pathak, shall be available for inspection on the day of 22nd Annual general Meeting of the Company.
6. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
7. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidation their holdings in one folio.
8. Any member requiring further information on accounts at the meeting is requested to send their queries in writing to the Managing Director of the Company before 29th September, 2009.
9. Explanatory statements under Section 173(2) of the Companies Act, 1956 in respect of Item No. 4, 5, 6, 7, 8, 9 and 10 are annexed to the notice.

EXPLANATORY STATEMENT

As required by section 173(2) of the Companies Act, 1956

Item No. 4.

Mr. Niyant Ravindra Parikh was appointed as an Additional Director w.e.f. 31st January, 2009 under section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from member proposing the candidature of Mr. Niyant Ravindra Parikh for the office of the Director under section 257 of the Companies Act, 1956.

The Details as required under Clause 49 of Listing Agreement:

- | | | |
|---|---|--|
| 1 | Name of the director | Mr. Niyant Ravindra Parikh |
| 2 | Age | 27 |
| 3 | Qualification | B.com |
| 4 | Experience | 4 Yrs. Experience in Citibank for marketing of financial product and 3 yrs. experience in Marketing glass Wear products & Sanitary products. |
| 5 | Number of directorship in other Indian Public Limited Company | NIL |

Mr. Niyant Ravindra Parikh is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said Resolution except Mr. Niyant Ravindra Parikh.

Item No. 5.

Mr. Vipul S. Trivedi was appointed as an Additional Director w.e.f. 31st January, 2009 under Section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the Annual General Meeting. The company has received a notice in writing from member proposing the candidature of Mr. Vipul S. Trivedi for the office of the Director under section 257 of the Companies Act, 1956.

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The Details as required under Clause 49 of Listing Agreement:

1	Name of the director	Mr. Vipul S. Trivedi
2	Age	28
3	Qualification	B.Com
4	Experience	5 Yrs, Exp. in lease & finance business
5	Number of directorship in other Indian Public Limited Company	Sarang Chemicals limited.

Mr. Vipul S. Trivedi is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said Resolution except Mr. Vipul S. Trivedi.

Item No. 6.

Mr. Vipul P. Pathak was appointed as an Additional Director w.e.f. 31st January, 2009 under section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the Annual General Meeting. The Company has received a notice in writing from member proposing the candidature of Mr. Vipul P. Pathak for the office of the Director under section 257 of the Companies Act, 1956.

The Details as required under Clause 49 of Listing Agreement:

1	Name of the director	Mr. Vipul P. Pathak
2	Age	39
3	Qualification	B.Com
4	Experience	18 Yrs. Experience in marketing of Laminates Ply- wood and Block board.
5	Number of directorship in other Indian Public Limited Company	NIL

Mr. Vipul P. Pathak is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said Resolution except Mr. Vipul P. Pathak.

Item No. 7.

Mr. Shankar Bhagat was appointed as an Additional Independent Non-Executive Director w.e.f. 31st January, 2009 under section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the Annual General Meeting. The Company has received a notice in writing from member proposing the candidature of Mr. Shankar Bhagat for the office of the Director under section 257 of the Companies Act, 1956.

The Details as required under Clause 49 of Listing Agreement:

1	Name of the director	Mr. Shankar Bhagat
2	Age	51
3	Qualification	B.Com. (Hons), F.C.A.
4	Experience	25 years experience as practicing chartered accountant
5	Number of directorship in other Indian Public Limited Company	Turbotech Engineering Limited Kappac Pharma Limited Xo Infotech Limited Amradeep Industries Limited

Mr. Shankar Bhagat is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said Resolution except Mr. Shankar Bhagat.

Item No.8:

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on 2nd September, 2009 Mr. Vipul P. Pathak, was appointed as a Managing Director of the Company for a period of 5 (Five) years with effect from 1st October, 2009. The remuneration payable to Mr. Vipul P. Pathak as salary is subject to the approval of the members.

Mr. Vipul P. Pathak will serve as a Managing Director on the Board of the Company from 14th August, 2009.

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The terms & Conditions proposed to be entered into by the Company with Mr. Vipul P. Pathak in respect of his appointment, inter alia, contains the following terms and conditions:

Major Terms of remuneration payable to Mr. Vipul Pathak, Managing Director.**I) TERMS & CONDITIONS:**

1. Name & Designation of Director. : Mr. Vipul P. Pathak, Managing Director.
2. Date of Appointment : 1st October, 2009
3. Period : 5 years
4. Salary (p.m) : Rs. 15,000/- p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act, 1956.
5. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Vipul P. Pathak by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Vipul P. Pathak shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

These Terms & Conditions of appointment may be treated as abstracts between the Company & Mr. Vipul Pathak, Managing Director pursuant to Section 302 of the Companies Act, 1956.

The Copy of the Draft agreement entered between the Company and Mr. Vipul Pathak is open for inspection during office hours 10.00 a.m. to 12 noon till the date of Annual General Meeting.

None of the Directors are concerned or interested in the said Resolution except Mr. Vipul Pathak.

Item No. 9

As per Section 163(1) of the Companies Act, 1956 certain Registers and Documents which are normally required to be kept at the Registered Office of the Company could be kept at a place other than the Registered Office of the Company, provided such other place has been approved by the Members by way of a Special Resolution.

The Company has appointed Purva Sharegistry India Private Limited, 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011 who have been providing depository related services for the shares held in demat mode and also acting as the Share Transfer Agent for the shares held in physical segment. Hence, the approval of the members is sought in terms of Section 163(1) of the Companies Act 1956 for keeping the aforementioned registers and documents at the office of the Depository Registrar and Share Transfer Agent as stated in the resolution. Directors recommend the resolution as proposed in the Notice for Member's approval.

None of the Directors of the Company is interested in the resolution.

Item No. 10

In view to meet the capital expenditure and other funds requirements for the business purposes, the Company would be required to borrow funds from time to time by way of loans and/or issue of Bonds, Debentures or other securities. As per section 293(1)(d) of the Companies Act 1956, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Board beyond the aggregate of the paid up capital of the Company and its free reserve requires approval from the shareholders of the Company, hence the Company proposes to obtain the consent of the members by way of Ordinary Resolution for limit up to Rs. 50 Crore (Rupees Fifty Crore only) is made.

Your Directors recommend the resolutions as set out above for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**BY ORDER OF THE BOARD
PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED**

Sd/-

Vipul P. Pathak
(Director)

Date : 02.09.2009
Place : Mumbai

PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED**DIRECTORS' REPORT**

To,
The Members,
PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED.

Your Directors have great pleasure in presenting **22ND ANNUAL REPORT** along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31st March, 2009.

FINANCIAL RESULTS:

	Year ended 2009	(Rs. In '000) Year ended 2008
Gross Profit/(Loss)	(4,836.87)	(4,450.57)
Add/Less: Depreciation (Net)	(1,254.70)	(1105.03)
Profit/(Loss) before Taxation	(6,091.56)	(5,454.61)
Less: Provision for Taxation	(35.67)	—
Less: Fringe Benefit Tax	(10.48)	—
Less: Provision for Current Year Fringe Benefit Tax	(34.59)	(32.93)
Less: Prior year adjustments		
Net Profit / (Loss) transferred to Balance sheet	(6,172.29)	(5,487.54)
Balance Brought forward from previous year	(28,399.92)	(22,912.38)
Balance carried forward to Balance Sheet	(34572.21)	(28,399.92)

OPERATIONS:

During the year your Company reported total sales of Rs. 28,93,132/- (Rupees Twenty Eight Lacs Ninety Three Thousand One Hundred Thirty Two only) in comparison to Rs. 11,34,025/- (Rupees Eleven Lacs Thirty Four Thousand Twenty Five only) of previous year. After making necessary provisions, the net Loss is of Rs. 61,72,288/- (Rupees Sixty One Lacs Seventy Two Thousand Two Hundred Eighty Eight only) in comparison to Rs. 54,87,546/- (Rupees Fifty Four Lacs Eighty Seven Thousand Five Hundred Forty Six only) of previous year. Your Directors expect better financial results in the coming years.

DIVIDEND:

In view of carry forward losses, no dividend is recommended for this year.

SHARE CAPITAL:

During the year the Authorised Share Capital of the Company was increased from Rs. 7,00,00,000/- (Rupees Seven Crore only) divided into 70,00,000 (Seventy Lacs) Equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 15,50,00,000/- (Rupees Fifteen Crores Fifty Lacs only) divided into 155,00,000 (One Crore Fifty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each in the Extra-ordinary General Meeting of the members of the Company held on 30th April, 2008.

PREFERENTIAL ISSUE OF CONVERTIBLE WARRANTS:

During the year the Company has allotted 8,50,000 fully convertible warrants of the Company on 7th April, 2009 to promoters Group Companies on preferential basis @ Rs.12/- each by taking members approval in their Extra-ordinary General Meeting held on 26th March, 2009. As on date of this report the conversion into Equity Shares is pending.

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DEPOSITORS:

Your company did not accept any deposits from the public during the current year.

AUDITORS:

M/s. Dulani & Co., Chartered Accountants, Navi Mumbai statutory Auditors of the company is holding the office till the conclusion of ensuing Annual General Meeting and has given notice in writing of his unwillingness to be reappointed. Mr. Arvind Thakkar & Co. has given his consent to be appointed as auditor of the company.

AUDITORS REPORT:

As regards to auditors observations in Item No. 4(d) and 4(f) of the Auditors Report, the notes to the accounts are self explanatory and hence no explanation is required from the Board as such.

SUBSIDIARIES:

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.

DIRECTORS:

During the year Mr. Anil Mistry, Director of the Company is retiring by rotation & being eligible offers himself for reappointment.

Mr. Niyant R. Parikh, Mr. Vipul S. Trivedi, Mr. Vipul P. Pathak and Mr. Shankar Bhagat were appointed as an Additional Director of the Company w.e.f. 31st January, 2009, all the said Directors holds office upto the conclusion of the forthcoming Annual General Meeting of the Company.

The Company has received separate Notices u/s 257 of the Companies Act, 1956 from shareholders proposing their respective candidates Mr. Niyant R. Parikh, Mr. Vipul S. Trivedi, Mr. Vipul P. Pathak and Mr. Shankar Bhagat, respectively for the office of the Director of the Company and the requisite fees as required under the said section is received from each such shareholders.

You are requested to reappoint all the above Directors in the forthcoming Annual General Meeting of the Company.

Mr. Vipul P. Pathak of the Company was appointed w.e.f. 1st August, 2009.

A brief Resume of all the aforesaid Directors being appointed / re- appointed, as stipulated under clause 49 of the Listing Agreement, are given in the statement of corporate governance.

Mr. Raj Prehar, Mr. Suresh Prehar, Mr. Rajiv Datta, Mr. Bali D. Yadav and Mr. Ralph X. Pinto resigned as Directors of the Company w.e.f. 1st February, 2009.

During the year the Shareholders of the Company also accorded their consent for the Change in control in promoters / Management in pursuance of Regulations 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, through Postal Ballot.

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirm:

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the financial year and of the Profit or Loss of the Company for that period.

PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED

- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

The Board had implemented Corporate Governance Code in pursuance of Clause 49 of Listing Agreement during the year. The report on Corporate Governance is annexed hereto forming part of this report. The requisite certificate from HS Associates, Company Secretaries, on implementation of requirements of the Corporate Governance is also annexed herewith forming part of this report.

STOCK EXCHANGE REQUIREMENT:

Being listed at Mumbai & Ahmedabad Stock Exchanges, your Company has paid listing fees till March, 2009.

PARTICULARS OF EMPLOYEES:

There were no employees during the whole or part of the year who were in receipt of remuneration aggregating to Rs. 2,00,000/- p.m. or Rs. 24,00,000/- p.a., hence no particulars are given.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) OF THE COMPANIES ACT, 1956 AND COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

As there was no manufacturing activities in the Company during the year the particulars as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 on Conservation of Energy and Technology Absorption are not applicable to your company. Your Company has neither earned nor spent any amount in Foreign Exchange during the year under review.

APPRECIATION:

The Directors take this opportunity to thank all the employees, Banks & Customers for their contribution to the company's performance during the year under review.

**BY ORDER OF THE BOARD
PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED**

Date : 02.09.2009
Place : Mumbai

Sd/-
Vipul P. Pathak
(Chairman)

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REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy:

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement and subsequently amended w.e.f. 1st January, 2006 has implemented by the Company.

The Company believes in maximum utilization of resources at minimum cost and attaining maximum long term shareholders value. The company has also consistently followed good corporate policy and enhanced its value in the eyes of shareholders, Bankers, Customers and Employees.

The Company has complied with all the regulations required by SEBI through the Listing Agreement. This report, along with the report of Management discussion and Analysis and additional information for the shareholders in the foregoing paras, constitutes Pressure's compliances with clause 49 of the Listing Agreement.

2. Board of Directors:

a. Composition:

The Board of the Company comprises of 5 (Five) Directors out of which 3 (Three) are Non Executive Directors and 2 (Two) are Independent Non Executive Directors. There are no nominees or Institutional Directors in the Company.

None of Directors has pecuniary or Business relationship with the Company except as mentioned under this report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he is Director.

b. Non Executive Directors:

As per Clause 49 of Listing Agreement, the composition of the Board should be as such that the Board of Directors of the Company shall have an optimum combination of executive and non-executive Directors with not less than fifty percent of the Board of Directors comprising of non Executive Directors. In our case all the Board of Directors of the Company are Non Executive Directors.

c. Board Meeting and Attendance:

During the year there were in total 6 (Six) Board Meetings were held i.e. on 31st May, 2008, 30th June, 2008, 31st July, 2008, 31st October, 2008, 31st January, 2009 and 26th February, 2009. The time gap between the two meetings was not more than 4 months. All the information required to be furnished to the Board was made available to them along with detailed Agenda notes.

Sr. No.	Name of Director	Category of Directorship	No. of Board meetings Attended	Attendance at last Annual General Meeting	No. of other Directorship	No. of other Committee memberships in other Companies
1.	**Mr. Raj Prehar	Chairman & Managing Director	5	Yes	Nil	Nil
2.	**Mr. Suresh Prehar	Whole Time Director	5	Yes	Nil	Nil
3.	**Mr. Rajiv Datta	Director	5	Yes	Nil	Nil
4.	**Mr. Bali D. Yadav	Director	5	No	Nil	Nil
5.	**Mr. Ralph X. Pinto	Director	5	Yes	1	Nil
6.	Mr. Anil Mistry	Director	6	No	1	Nil
7.	*Mr. Vipul P. Pathak	Director	1	N.A.	Nil	Nil
8.	*Mr. Niyant R. Parikh	Director	1	N.A.	Nil	Nil
9.	*Mr. Vipul S. Trivedi	Director	1	N.A.	Nil	Nil
10	*Mr. Shankar Bhagat	Director	1	N.A.	4	4