

॥ श्रीः ॥

वसुदेवसुतं देवं कंसचाणूरमर्दनम् । देवकीपरमानन्दं कृष्णं वन्दे जगद्गुरुम् ॥

(वसुदेव के पुत्र, जिन्होंने कंस और चाणूर का मर्दन किया, माता देवकी को परम आनन्द प्रदान किया, ऐसे जगद्गुरु श्रीकृष्ण को वंदन करता हूँ।)

RAM RATNA

RAM RATNA WIRES LTD
AN ISO 9001 COMPANY

13 Annual Report 2004 - 05

Ram Ratna Wires Limited



FINANCIAL HIGHLIGHTS

OPERATING RESULTS

(Rs. In Lacs)

	2004-05	2003-04	2002-03	2001-02	2000-01
INCOME					
Sales / Income from Operations	12635.24	10166.46	6876.78	5999.84	6071.68
Less: Excise Duty	1737.88	1400.88	951.11	833.78	841.88
	10897.36	8765.58	5925.67	5166.06	5229.80
Other Income	0.00	0.00	0.26	0.00	0.00
	10897.36	8765.58	5925.93	5166.06	5229.80
EXPENDITURE					
Materials & Overheads (+/- Stock Adj.)	10337.01	8326.66	5541.93	4789.75	4811.08
PROFIT BEFORE INTEREST & DEPRECIATION	560.35	438.92	384.00	376.31	418.72
Less: Interest (Net)	138.35	117.38	147.38	161.67	189.77
PROFIT BEFORE DEPRECIATION	422.00	321.54	236.62	214.64	228.95
Less: Depreciation	119.45	103.76	86.43	72.22	63.08
PROFIT BEFORE TAX, EXTRAORDINARY ITEMS & PRIOR PERIOD ADJUSTMENTS	302.55	217.78	150.19	142.42	165.87
Less: Extra Ordinary Items & Prior Period Adjustments	0.11	0.86	0.69	0.07	15.52
PROFIT BEFORE TAX	302.44	216.92	149.50	142.35	150.35
Less: Current Tax	69.77	43.09	11.77	12.36	13.41
Less: Deferred Tax	13.26	12.73	34.29	24.87	0.00
NET PROFIT AFTER TAX	219.41	161.10	103.44	105.12	136.94
DIVIDEND (%)	12.5	10	5	—	10
EARNINGS PER SHARE (Rs.)	2.71	2.10	1.35	1.37	1.79



Ram Ratna Wires Limited

BOARD OF DIRECTORS:

Shri Rameshwarlal Kabra	Chairman
Shri Tribhuvanprasad Kabra	Managing Director
Shri Mahendra Kumar Kabra	Whole Time Director
Shri Shreegopal Kabra	Joint Managing Director
Shri Satyanarayan Loya	Director
Shri Vishnu Anant Mahajan	Director
Shri Rajkumar Rathi	Director

AUDITORS:

V. C. Darak & Associates,
Chartered Accountants, Mumbai.

BANKERS:

State Bank of India
Allahabad Bank

REGISTERED OFFICE:

Ram Ratna House, Victoria Mill Compound,
Pandurang Budhkar Marg, Worli,
Mumbai – 400 013.

CORPORATE OFFICE:

305/A, Windsor Plaza,
R.C. Dutt Road, Alkapuri,
Vadodra – 390 007.

WORKS:

- (1) Survey No. 212(2),
Near Dadra Checkpost, Village Dadra,
U. T. of Dadra & Nagar Haveli,
Pincode – 396 191.
- (2) Salasar Copper
Survey No. 142(2), Village Karad,
Madhuban Dam Road, Rakholi,
U. T. of Dadra & Nagar Haveli,
Pincode – 396 240.

REGISTRAR AND TRANSFER AGENT:

Sharepro Services (India) Pvt. Ltd.,
Satam Estate, 3rd Floor,
Above Bank of Baroda,
Cardinal Gracious Road,
Chakala, Andheri (East),
Mumbai – 400 099.

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NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of Ram Ratna Wires Limited will be held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai – 400 002 on Tuesday, the 20th day of September, 2005 at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2005 and Profit and Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Mahendra Kumar Kabra, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Vishnu Anant Mahajan, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
 "RESOLVED THAT as per the recommendation of Remuneration Committee and pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with Schedule XIII to the Companies Act, 1956 and subject to such other approvals as may be necessary, Shri Tribhuvanprasad Kabra be and is hereby re-appointed as the Managing Director of the Company for a period of three years with effect from 24th June, 2005 upon the terms and subject to the conditions as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Shri Tribhuvanprasad Kabra but subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time.
 - a) Salary of Rs. 1,50,000/- per month.
 - b) Commission based on the net profits of the company in a particular year which shall be within the overall limits laid down in Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII to the said Act.
 - c) Perquisites:
 - (i) Furnished accommodation including gas, electricity and water, medical reimbursement and leave travel concession for self and family, club fees, medical insurance, etc.
 - (ii) Company's contribution to Provident Fund and Superannuation Fund to the extent either singly or put together are not taxable under the Income-Tax Act, 1961.
 - (iii) Gratuity as per the Rules of the Company.
 - (iv) Provision for use of company car for official duties and telephone at residence (including payment of local calls and long distance official calls).

The perquisites referred to in paras (ii), (iii) and (iv) will not be included in the computation of ceiling on remuneration."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Managing Director shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Managing Director."

"RESOLVED FURTHER THAT during such time as Shri Tribhuvanprasad Kabra holds and continues to hold office of the Managing Director, he shall not be liable to retirement by rotation as a Director."

By order of the Board of Directors

Place: Mumbai
Dated: 20th May, 2005

Tribhuvanprasad Kabra
Managing Director

REGISTERED OFFICE:

Ram Ratna House,
Victoria Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 013.

Ram Ratna Wires Limited



NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
- Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (fortyeight) hours before the time fixed for holding the meeting.
- Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the General Manager, Commercial & M.R., so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
- The Register of Members and Share Transfer Books will remain closed from Saturday, 10th September 2005 to Tuesday, 20th September 2005 (both days inclusive).
- The payment of dividend, if any, declared at the Annual General Meeting, will be made to those shareholders whose names appear on the Company's Register of Members on 20th September 2005 or to their nominees. In respect of shares in dematerialized form, dividend will be paid to the beneficial owners as at the end of business hours on 9th September 2005 as per the details to be received from Depositories for the purpose. Dividend warrants shall be dispatched within thirty days from the date of the Annual General Meeting.
- Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at Sharepro Services (India) Pvt. Ltd., Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099 in respect of their physical share folios.
- Members are requested to bring their copy of Annual Report to the Meeting.
- Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
- The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item No. 6 is appended hereto.

BRIEF RESUME OF PERSONS PROPOSED TO BE RE-APPOINTED AS DIRECTOR/MANAGING DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING:

Name	Shri Mahendra Kumar Kabra	Shri Vishnu Anant Mahajan	Shri Tribhuvanprasad Kabra
Age	48 years	66 Years	49 years
Qualification	Licentiate Mechanical Engineer	F.C.A., B. Com	B.Com.
Nature of Expertise	Industrialist	Chartered Accountant	Industrialist
Experience	Shri Mahendra Kumar Kabra has over 20 years of rich and varied experience in the Wire Industry. He has expert knowledge of extrusion line, insulation and enamelled wire. He has successfully led many projects and has been an icon of inspiration for his team members.	Shri Vishnu Anant Mahajan is a practicing Chartered Accountant. He passed his Chartered Accountant's exam in the year 1967. He has been associated with handling of audit work of various private and public limited companies including some well-known companies. Also associated with the auditing of various renowned banks and insurance companies. Also specialised in taxation matters and in the field of preparation of Project Report for Bank purposes. Was also a member of the Research Committee of Institute of Chartered Accountants of India (ICAI)	Shri Tribhuvanprasad Kabra has a good knowledge and experience in finance and administration. His sincere efforts and dedication has been instrumental in spearheading the growth of the Company.
Name of Companies in which also holds Directorship	Ram Ratna Research & Holding Pvt. Ltd. R R Kabel Limited Kabra Colours Pvt. Ltd. MEW Electricals Pvt. Ltd., Ram Ratna Infrastructure Pvt. Ltd. Shwesh Infrastructure Pvt. Ltd. APS Infrastructure Pvt. Ltd.	Duraweld Wear Plates Pvt. Ltd.	Ram Ratna Research & Holding Pvt. Ltd. Kabra Appliances Pvt. Ltd. R R Kabel Limited
Name of the Companies in Committees of which holds membership / chairmanship	R R Kabel Limited	None	None

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.****Item No. 6**

The present term of office of Shri Tribhuvanprasad Kabra as the Managing Director of the Company will expire on 23rd June, 2005. The Board of Directors in its meeting held on 20th May, 2005 has as per the recommendation of the Remuneration Committee approved, subject to the approval of the members in the general meeting, the re-appointment of Shri Tribhuvanprasad Kabra as the Managing Director of the Company for a further period of 3 (three) years with effect from 24th June, 2005 i.e. for the period from 24th June 2005 to 23rd June 2008.

The broad particulars of remuneration payable to and the terms of re-appointment of Shri Tribhuvanprasad Kabra as the Managing Director of the Company are given in the resolution at Item no. 6.

The re-appointment of Shri Tribhuvanprasad Kabra as the Managing Director of the Company would require the consent of the shareholders of the Company pursuant to Section 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956 and subject to the limits of Schedule XIII to the said act. The said resolution is therefore, recommended for your approval.

As per the requirements of Schedule XIII to the Companies Act, 1956, requisite information is given herein below in connection with the re-appointment of and payment of remuneration to Shri Tribhuvanprasad Kabra as Managing Director of the Company.

I) General Information:**1) Nature of Industry:**

The Company is engaged in the manufacturing of Super Enamelled Copper Winding Wires.

2) Date of commencement of commercial production:

Commercial production at Works at Dadra commenced from November, 1995.

3) Financial Performance based on given Indicators:

(Based on Audited Statement of Accounts for the year ended 31st March 2005)

Particulars	Rs. in Lacs
Total Income	12,635.24
Operating Profit (Profit before Depreciation, Interest, Taxation & Extraordinary Items)	560.34
Net Profit (Profit after Taxation)	219.41
Paid-up Share Capital	947.00
Reserves & Surplus	663.82
Earning per Share (Rs.)	2.71
Book Value per Share (Rs.) Face Value of Share – Rs. 10/-	34.23

4) Export Performance and Net Foreign Exchange Collaborations:

The Company's products are exported through third party and not directly. The Company had no foreign exchange collaborations.

5) Foreign Investments or Collaborators:

The Company does not have any foreign investments or collaborators.

II) Information about the Appointee – Shri Tribhuvanprasad Kabra**1) Background Details, Recognition/Awards, Job Profile and Suitability:**

Shri Tribhuvanprasad Kabra, 49 years of age, has more than 25 years of rich experience and knowledge in finance and administration. His sincere efforts and dedication has been a major source for the growth of the Company. He has been associated with the Company since its incorporation and has been on the Board of Directors since 1993. He has been serving as the Managing Director of the Company since 1995.

**2) Past Remuneration and Proposed Remuneration:**

Name of Director	Designation	Past Remuneration (Rs. in Lacs)	Proposed Remuneration (Rs. in Lacs)
Shri Tribhuvanprasad Kabra	Managing Director	10.21	18.00

3) Comparative Remuneration profile with respect to industry, size of the company, profile of the position and person:

Shri Tribhuvanprasad Kabra is serving as the Managing Director of the Company since last ten years. He has been actively involved in the management of the affairs of the Company and has been instrumental in spearheading the growth of the Company. He has varied experience in the field of finance and administration. The proposed remuneration is as per the prevailing industry norms.

4) The above named Managerial Person does not have any pecuniary relationship directly or indirectly with the Company other than the remuneration received/receivable by him as mentioned above.**III) Other Information:****1) Reasons for loss or inadequacy of profits:**

Due to very low value addition and increasing competition coupled with rising raw material prices, there is not much profit margin available. Hence, inspite of increasing sales the Company has not been able to make adequate profits.

2) Steps taken to improve the performance of the Company:

By offering superior value to customers the Company will continue to improve its market share. The Company is expanding its production capacity by setting up a new unit in the name of M/s. Salasar Copper at Silvassa in the Union Territory of Dadra & Nagar Haveli for manufacturing Super Enamelled Copper Winding Wire. This will help the Company to increase its performance by increasing its production and sales to meet the growing demand in the market. The Company will continue to expand and consolidate its position as one of the leading manufacturers of Super Enamelled Copper Winding Wire in the country.

3) Expected Increase in Productivity:

With the expansion plan, the Company expects to increase the manufacturing capacity by approximately 3600 tpa in first phase.

4) Expected Increase in Profits in measurable terms:

The Company is expanding its production capacity and expects substantial increase in the profits in long term. However, because of the low value addition, increasing competition and volatility in the market, it is difficult to ascertain the increase in the profits in measurable terms.

The explanatory statement and the resolution at Item No. 6 of the Notice is and may be treated as an abstract of the terms of re-appointment of Shri Tribhuvanprasad Kabra as the Managing Director of the Company as required under Section 302 of the Companies Act, 1956.

Shri Tribhuvanprasad Kabra is concerned or interested in the resolution in Item no. 6 for his re-appointment as the Managing Director. All Directors except Shri Vishnu Anant Mahajan and Shri Rajkumar Rathi are interested or concerned in the said resolution.

By order of the Board of Directors

Place: Mumbai
Dated: 20th May, 2005

Tribhuvanprasad Kabra
Managing Director

REGISTERED OFFICE:

Ram Ratna House,
Victoria Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 013.



DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the Thirteenth Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2005.

FINANCIAL HIGHLIGHTS:

(Rs in Lacs)

Particulars	Year ended 31.03.2005	Year ended 31.03.2004
Sales and other Income	12,635.24	10,166.46
Profit before Interest, Depreciation, Extraordinary items and Tax	560.34	438.92
Less: Interest	138.34	117.38
Less: Depreciation	119.45	103.76
Profit before Extraordinary items and Tax	302.55	217.78
Less: Extraordinary item (Loss on sale of assets/asset discarded)	0.64	0.83
Profit before Tax and prior period adjustments	301.91	216.95
Less: Provision for Taxation	83.03	55.82
Profit before prior period adjustments	218.88	161.13
Add/(Less) : Prior period adjustments	0.53	(0.03)
Net Profit after tax and prior period adjustments	219.41	161.10
Balance brought forward from Previous Year	468.36	393.79
Profit available for appropriation	687.77	554.89
Appropriations:		
Proposed Dividend	118.38	76.70
Corporate Dividend Tax	16.60	9.83
General Reserve	6.00	0.00
Balance Carried Forward	546.79	468.36

Dividend:

Your Directors are pleased to recommend dividend at the rate of 12.50% (Previous Year 10%) for the year ended 31st March, 2005.

Operations & Expansion:

The turnover of the Company increased by 24% to Rs. 12635.24 Lacs during the year under review. The Company has earned a net profit of Rs. 219.41 Lacs (previous year Rs. 161.10 Lacs) after providing for taxation and extraordinary items and prior period adjustments thus registering an increase of 36% over the previous year.

The production from horizontal enamelling machine imported last year has commenced satisfactorily. The Company has also acquired and properly installed one more horizontal enamelling machine with inline wire drawing. The production from this machine has also been successfully commenced. To support the increased production capacity, the Company has also acquired two wire drawing machines which have been commissioned successfully.

Expansion Plan:

The Board is pleased to inform that the Company is setting up a new unit in the name of M/s. Salasar Copper at Silvassa in the Union Territory of Dadra & Nagar Haveli. The said new unit will manufacture Super Enamelled Copper Winding Wire. The Board expects that the expansion will increase the manufacturing capacity by 3600 tpa in its first phase. The construction work of the factory building of the new unit is at its completion stage. The major machines required to commence production in the first phase have been ordered and the company expects to receive the machines by June, 2005. The new plant will be modern and will have high speed eco-friendly machines with latest technology.

Ram Ratna Wires Limited



Increase in the Authorised Share Capital:

During the year under review the Authorised Share Capital of the Company was increased from Rs. 8,00,00,000/- (Rupees Eight Crores only) divided into 80,00,000 (Eighty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten Only) each by creation of an additional 20,00,000 (Twenty Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each in accordance with the Ordinary Resolution passed by the shareholders at the Extra-Ordinary General Meeting held on 22nd December, 2004.

Preferential Allotment of Equity Shares:

The Board of Directors of the Company have at their meeting held on 5th January 2005, allotted 18,00,000 Equity Shares of Rs. 10/- each fully paid-up for cash at a premium of Rs. 5/- per share forming part of the Preferential Issue of shares made by the Company pursuant to the Special Resolution under Section 81(1A) of the Companies Act, 1956, passed at the Extra-ordinary General Meeting of the Company held on 22nd December, 2004. Out of the said 18,00,000 Equity Shares, 15,35,000 Equity Shares have been allotted to promoter group and 2,65,000 Equity Shares to a person other than promoter. The said shares have been listed on The Stock Exchange, Mumbai (BSE) with effect from 18th February 2005.

Particulars of Employees:

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Directors:

Shri Mahendra Kumar Kabra and Shri Vishnu Anant Mahajan, Directors, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. The term of office of Shri Tribhuvanprasad Kabra as the Managing Director will expire on 23rd June, 2005. The Board of Directors have re-appointed, subject to the approval of the shareholders at the ensuing Annual General Meeting, Shri Tribhuvanprasad Kabra as the Managing Director for a period of three years starting from 24th June, 2005 as per the recommendation of the Remuneration Committee.

Brief profile of these Directors is given in the notes to the Notice of the ensuing Annual General Meeting.

Directors' Responsibility Statement:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- 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 as at 31st March, 2005 and of the profit of the Company for that period;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the annual accounts for the year ended March 31, 2005 have been prepared on a going concern basis.

Corporate Governance:

A Report on Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of the requirements of Corporate Governance, as also a Management Discussion & Analysis Report pursuant to Clause 49 of the Listing Agreement with the Stock Exchange are annexed hereto.

Auditors:

M/s. V. C. Darak & Associates, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Members are requested to appoint auditors for the current year and to authorize the Board to fix their remuneration.

Auditors' Report:

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes on Accounts for the year ended 31st March, 2005 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

Public Deposits:

The deposits accepted by the Company are in accordance with the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 as amended.

Ram Ratna Wires Limited



Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo:

The relevant data pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of this report.

Acknowledgements:

The Board would like to express their gratitude for the continued support which the Company has received from its Shareholders, Customers, Suppliers, Bankers, Statutory Authorities and all other business associates.

The Board wishes to place on record their sincere appreciation to all the Company's employees for their collective contribution to the Company's improved performance.

For and on behalf of the Board

Place : Mumbai
Dated : 20th May, 2005

Rameshwarlal Kabra
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March 2005.

A. CONSERVATION OF ENERGY

The Company has endeavored to ensure the optimal use of energy, avoid wastage and conserve energy as far as possible. All possible measures have been taken to conserve energy through automation and by incorporating energy-efficient equipments. In major indigenous machineries, your company has incorporated energy saving Electronic Thyristor Control Panels developed by Siemens which saves energy. The Company has imported Enamelling Machines which are having the least power consumption, thereby conserving energy apart from eliminating pollution. Your Company has installed energy meters in major energy consuming machines. The day to day consumption is monitored and ways and means are adopted to reduce the power consumption in an effort to save energy.

Total energy consumption and energy consumption per unit of production:

Form 'A' of the annexure to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, is not applicable.

B. TECHNOLOGY ABSORPTION

The technology required for manufacturing products of the Company is indigenous. This indigenous technology is being absorbed for the products of the Company. The company has not imported any technology and process.

C. FOREIGN EXCHANGE EARNING AND OUTGO

- | | |
|----------------------------------|----------------|
| 1. Total Foreign Exchange earned | Rs. Nil |
| 2. Total Foreign Exchange used | Rs. 20.72 Lacs |

For and on behalf of the Board

Place : Mumbai
Dated : 20th May, 2005

Rameshwarlal Kabra
Chairman