



25TH ANNUAL REPORT 2009 - 2010



STERLING STRIPS LIMITED



BOARD OF DIRECTORS

S VENKATA SUBRAMANIAN
DIPAKKUMAR SHAH
RAJALAKSHMI VENKAT
MUKUND GOPAL GHARPURE
RAJESH ULHAS DESHPANDE
BAKUL SHAH
DINESH KUMAR AGARWAL

EXECUTIVE CHAIRMAN
MANAGING DIRECTOR
NON EXECUTIVE DIRECTOR
INDEPENDENT NON EXECUTIVE DIRECTOR
INDEPENDENT NON EXECUTIVE DIRECTOR
INDEPENDENT NON EXECUTIVE DIRECTOR
EXECUTIVE DIRECTOR

BANKERS

ICICI BANK LTD.
CANARA BANK

AUDITORS

M/S D. C. BOTHRA & CO.
CHARTRED ACCOUNTANTS,
297, TARDEO ROAD, WILLIE MANSION,
NANACHOWK,
MUMBAI - 400 007.

REGISTERED OFFICE & WORKS

A -8/4, MIDC INDUSTRIAL AREA,
MURBAD, DIST : THANE,
MAHARASHTRA - 421 401.

CORPORATE OFFICE

2/10, MEGHAL SERVICE INDUSTRIAL ESTATE,
DEVIDAYAL ROAD, MULUND (WEST),
MUMBAI - 400 080.

SHARE TRANSFER AGENT & REGISTRAR

BIGSHARE SERVICES PVT. LTD.
E -2/3, ANSA INDUSTRIAL ESTATE,
SAKINAKA ROAD, SAKI NAKA,
ANDHERI (EAST),
MUMBAI - 400 072.

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of the company will be held at it's Registered Office at A 8/4, M.I.D.C. Murbad, Dist: Thane 421 401 on Thursday the 12th August 2010 at 4.00 P.M. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of Directors & Auditors thereon.
2. To appoint a Director in place of Mr. Rajesh Ulhas Deshpande, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Bakul Shah who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:
 "RESOLVED THAT pursuant to provisions of Section 198, 269, 309, 310 & 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended up-to-date, the consent and approval of the Company be and is hereby accorded to the appointment of Mr. S. Venkata Subramanian, as Whole-Time-Director of the Company for a period of five years w.e.f. 1st April, 2010 on the remuneration and on such terms and conditions, as approved by the remuneration committee, and set out in the explanatory statement annexed hereto, with the authority to the Board of Directors of the Company ('the Board') and the Remuneration Committee ('the Committee') to alter and vary the terms and conditions including remuneration of the said appointment and/or agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. S. Venkata Subramanian subject to the conformity with the provisions of the Companies Act 1956.
 RESOLVED FURTHER that in the event of absence or inadequacy of profit in any financial year, the remuneration payable to Mr. S. Venkata Subramanian shall be governed by Schedule XIII of the Companies Act, 1956, or any modification(s) thereto.
 RESOLVED FURTHER that the Board/Committee be and is hereby authorized to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."
6. To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:
 "RESOLVED THAT pursuant to provisions of Section 198, 269, 309, 310 & 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended up-to-date, the consent and approval of the Company be and is hereby accorded to the appointment of Mr. Dipakkumar Shah, as non retiring Managing Director of the Company for a period of five years w.e.f. 1st April, 2010 on the remuneration and on such terms and conditions, as approved by the remuneration committee, and set out in the explanatory statement annexed hereto, with the authority to the Board of Directors of the Company ('the Board') and the Remuneration Committee ('the Committee') to alter and vary the terms and conditions including remuneration of the said appointment and/or agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. Dipakkumar Shah subject to the conformity with the provisions of the Companies Act 1956.
 RESOLVED FURTHER that in the event of absence or inadequacy of profit in any financial year, the remuneration payable to Mr. Dipakkumar Shah shall be governed by Schedule XIII of the Companies Act, 1956, or any modification(s) thereto.
 RESOLVED FURTHER that the Board/Committee be and is hereby authorized to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."
7. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**: "RESOLVED THAT Mr. Dinesh Kumar Agarwal, who was appointed as Additional Director of the Company in terms of section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice of intention u/s 257 of the Companies Act, 1956 from a shareholder signifying his intention of proposing name of Mr. Dinesh Kumar Agarwal for appointment as Director, be and is hereby appointed as Director of the Company, whose term of office shall be liable to be determined to retire by rotation as per the provision of Companies Act, 1956 and Articles of Association of the Company."
8. To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**: "RESOLVED THAT pursuant to provisions of Section 198, 269, 309, 310 & 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended up-to-date, the consent and approval of the Company be and is hereby accorded to the appointment of Mr. Dinesh Kumar Agarwal, as Whole-Time-Director of the Company for a period of five years w.e.f. 27th May, 2010 on the remuneration and on such terms and conditions, as approved by the remuneration committee, and set out in the explanatory statement annexed hereto, with the authority to the Board of Directors of the Company ('the Board') and the Remuneration Committee ('the Committee') to alter and vary the terms and conditions including remuneration of the said appointment and/or agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. Dinesh Kumar Agarwal subject to the conformity with the provisions of the Companies Act 1956.
 RESOLVED FURTHER that in the event of absence or inadequacy of profit in any financial year, the remuneration payable to Mr. Dinesh Kumar Agarwal shall be governed by Schedule XIII of the Companies Act, 1956, or any modification(s) thereto.
 RESOLVED FURTHER that the Board/Committee be and is hereby authorized to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."

Regd. Off : A 8/4 MIDC, MURBAD
THANE - 421 401.

BY ORDER OF THE BOARD OF DIRECTORS
For STERLING STRIPS LTD.

PLACE : MUMBAI
DATE : 27.05.2010

DIPAKKUMAR SHAH
MANAGING DIRECTOR

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 and such proxy need not be a member of the company. Proxy form in order to be effective must be deposited with the company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 9th August, 2010 to 12th August, 2010 (Both days inclusive)
3. The explanatory statement as required under section 173(2) of the Companies Act, 1956, in relation to the Special Business of the meeting is annexed hereto.
4. Members are requested to notify immediately, any change in address, to the Company at it's corporate office. Any communication with the company will be greatly facilitated if registered folio No. of DP ID / Client ID, in case shares are in physical/dematerialized form, as the case may be is quoted.
5. Members / Proxies should bring their attendance slip duly filled for attending the meeting.

ANNEXURE TO NOTICE

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956.

Item No. 5

The Board of Directors at its meeting held on 27th May, 2010 have appointed Mr. S. Venkata Subramanian, as Whole-Time-Director of the Company w.e.f. 1st April, 2010, for a period of five years. This appointment is subject to approval of shareholders at this meeting.

The principal terms & conditions of the agreement appointing Mr. S. Venkata Subramanian are as under :

1. Period of appointment : - five years
2. Remuneration (Effective 1st April, 2010)
 - (a) Salary : Salary of Rs. 75,000/- (Rs. Seventy-five thousand only) per month.
 - (b) Perquisites:

PART - A

- (i) The Company shall reimburse the Whole-Time-Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or Two months salary in a block of Two years.
- (ii) The Company shall reimburse to the Whole-Time-Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning there from once in a year for self and family, subject to a ceiling of one month's salary.

PART - B

- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity not exceeding half month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/-

PART - C

Provision of the Car/s and driver/s for use on Company's business and telephone/s at residence including cell phone shall be valued as per Income Tax Rules 1962. The car used for private purpose shall be billed by the Company to the Whole-Time-Director.

3. The terms and conditions of the said appointment/re-appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendment made hereafter in this regard.
4. The agreement may be terminated by either party giving the other party three months' notice. However, the appointment may be terminated by less than three months' notice by mutual consent between the parties.
5. If any time the Whole-Time-Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Whole-Time-Director.
6. The Whole-Time-Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

Minimum Remuneration

In the absence of inadequacy of profits in any financial year Mr. S. Venkata Subramanian, Whole-Time-Director may be paid remuneration by way of salary, perquisites and other allowance not exceeding the limits specified in Schedule XIII to the Act.

This may be treated as an abstract under Section 302 of the Companies Act, 1956 of the terms of the agreement with Mr. S. Venkata Subramanian.

None of the Directors except Mr. S. Venkata Subramanian is concerned or interested in the said Resolution.

Your Directors recommend the resolution for your approval.

Item No. 6

The Board of Directors at its meeting held on 27th May, 2010 have appointed Mr. Dipakkumar Shah, as Managing Director of the Company w.e.f. 1st April, 2010, for a period of five years. This appointment is subject to approval of shareholders at this meeting.

The principal terms & conditions of the agreement appointing Mr. Dipakkumar Shah are as under :

1. Period of appointment : - five years
2. Remuneration (Effective 1st April, 2010)
 - (c) Salary : Salary of Rs. 70,000/- (Rs. Seventy thousand only) per month.
 - (d) Perquisites:

PART - A

- (iii) The Company shall reimburse the Managing Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or Two months salary in a block of Two years.
- (iv) The Company shall reimburse to the Managing Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning there from once in a year for self and family, subject to a ceiling of one month's salary.

PART - B

- (iii) Contribution to Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

- (iv) Gratuity not exceeding half month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/-

PART - C

Provision of the Car/s and driver/s for use on Company's business and telephone/s at residence including cell phone shall be valued as per Income Tax Rules 1962. The car used for private purpose shall be billed by the Company to the Managing Director.

3. The terms and conditions of the said appointment/re-appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendment made hereafter in this regard.
4. The agreement may be terminated by either party giving the other party three months' notice. However, the appointment may be terminated by less than three months' notice by mutual consent between the parties.
5. If any time the Managing Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Managing Director.
6. The Managing Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

Minimum Remuneration

In the absence of inadequacy of profits in any financial year Mr. Dipakkumar Shah, Managing Director may be paid remuneration by way of salary, perquisites and other allowance not exceeding the limits specified in Schedule XIII to the Act.

This may be treated as an abstract under Section 302 of the Companies Act, 1956 of the terms of the agreement with Mr. Dipakkumar Shah.

None of the Directors except Mr. Dipakkumar Shah is concerned or interested in the said Resolution.

Your Directors recommend the resolution for your approval.

Item No. 7 & 8

The Board of Directors appointed Mr. Dinesh Kumar Agarwal as Additional Director of the Company on 27th May, 2010 in terms of Articles of Association of the Company and Section 260 of the Companies Act, 1956. He holds office up-to the conclusion of 25th Annual General Meeting. A notice has been received from a shareholder under Section 257 of the Companies Act, 1956 signifying his intention of proposing the name of Mr. Dinesh Kumar Agarwal as Director of the Company liable to retire by rotation.

Mr. Dinesh Kumar Agarwal, aged 36 years is A.C.A & A.C.S by qualification, has joined the Company as V.P. Finance in May, 2005. He has been appointed as Company Secretary on 13.05.2006. Your Board of Directors feel that his rich knowledge & experience shall be highly beneficial to the Company and hence the Board of Directors at its meeting held on 27th May, 2010 have appointed Mr. Dinesh Kumar Agarwal, as Whole-Time-Director of the Company w.e.f. 27th May, 2010, for a period of five years. This appointment is subject to approval of shareholders at this meeting.

The principal terms & conditions of the agreement appointing Mr. Dinesh Kumar Agarwal are as under :

1. Period of appointment : - five years
2. Remuneration (Effective 27th May, 2010)
 - (e) Salary : Salary of Rs. 60,000/- (Rs. Sixty thousand only) per month.

(f) Perquisites:

PART - A

- (v) The Company shall reimburse the Whole-Time-Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or Two months salary in a block of Two years.
- (vi) The Company shall reimburse to the Whole-Time-Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning there from once in a year for self and family, subject to a ceiling of one month's salary.

PART - B

- (v) Contribution to Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.
- (vi) Gratuity not exceeding half month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/-

PART - C

Provision of the Car/s and driver/s for use on Company's business and telephone/s at residence including cell phone shall be valued as per Income Tax Rules 1962. The car used for private purpose shall be billed by the Company to the Whole-Time-Director.

3. The terms and conditions of the said appointment/re-appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendment made hereafter in this regard.
4. The agreement may be terminated by either party giving the other party three months' notice. However, the appointment may be terminated by less than three months' notice by mutual consent between the parties.
5. If any time the Whole-Time-Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Whole-Time-Director.
6. The Whole-Time-Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

Minimum Remuneration

In the absence of inadequacy of profits in any financial year Mr. Dinesh Kumar Agarwal, Whole-Time-Director may be paid remuneration by way of salary, perquisites and other allowance not exceeding the limits specified in Schedule XIII to the Act.

This may be treated as an abstract under Section 302 of the Companies Act, 1956 of the terms of the agreement with Mr. Dinesh Kumar Agarwal.

None of the Directors except Mr. Dinesh Kumar Agarwal is concerned or interested in the said Resolution.

Your Directors recommend the resolution for your approval.

Additional Information

Mr. S. Venkata Subramanian, Chairman of the Board, aged 54, appointed as Whole-Time-Director in Board Meeting dated 27.05.2010 subject to approval of shareholders at the ensuing Annual General Meeting. He is a self starter in business. His expertise to provide tailor made solution to industry in energy and related area would be most beneficial to the progress of the company.

Mr. Dipakkumar Shah, aged 50, BSc by qualification, appointed as Managing Director w.e.f. 01.04.2010 for a period of 5 years subject to approval of shareholders at the ensuing Annual General Meeting. He has experience of more than 2 decades in the field of marketing & cost control. His expertise would be most beneficial to the progress of the company.

Mrs. Rajalakshmi Venkat, aged 51 years, Non Executive Director on the Board has resigned w.e.f 27th May, 2010.

Mr. Rajesh Ulhas Deshpande, aged 38 years, Independent Director on the Board is retiring by rotation and seeks reappointment. He is a B-Tech (Chemical Engineer) and MMS by qualification. He has vast experience in energy conservation and business management consultancy. The Board is of the opinion that being an expert in the field of energy conservation and business management, his association would be most beneficial to the progress of the company.

Mr. Bakul Shah, aged 50 years, Independent Director on the Board is retiring by rotation and seeks reappointment. He is Chartered Accountant by qualification. He has vast experience in the field of finance & accounts for more than 2 decades. Board is of the opinion that his association would be most beneficial to the progress of the company.

Mr. Dinesh Kumar Agarwal, aged 36 years, appointed as Whole-Time-Director w.e.f. 27.05.2010 for a period of 5 years subject to approval of shareholders at the ensuing Annual General Meeting. He is A.C.A. & A.C.S. by qualification. His expertise in the field of finance would be most beneficial to the progress of the company.

DIRECTOR'S REPORT TO THE MEMBERS

Dear Members,

Your Directors have pleasure in presenting the 25th Annual Report together with Audited Statement of Accounts for the financial year ended 31st March, 2010 and Auditors Report thereon.

FINANCIAL RESULTS

	(Rs. In Lacs)	
	2009-10	2008-09
Sales & Other Income	732.04	583.70
Profit/(Loss) Before Interest & Depreciation	89.48	77.14
Less: Interest & Finance Charges	0.24	0.51
Profit/(Loss) Before Depreciation	89.24	76.63
Less: Depreciation	17.31	16.87
Profit/ (Loss) Before Tax	71.93	59.76
Less : Provision for Tax	0.00	0.66
Profit/ (Loss) After Tax	71.93	59.10
Add: Balance brought forward	(558.95)	(618.05)
Balance carried to Balance Sheet	(487.02)	(558.95)

DIVIDEND

Considering the accumulated losses of the company, your Directors are unable to recommend any dividend.

OPERATION

The Company has recorded a turnover of Rs. 724.84 Lacs excluding the other income against turnover in the previous year of Rs. 583.14 Lacs. Further the Company has made a profit before tax of Rs 71.93 Lacs for the year ended 31st March 2010 as against a profit of Rs 59.76 Lacs during the previous year ended 31st March 2009. Company has been declared sick in BIFR's hearing dated 10.08.2009. State Bank of India, Mumbai has been appointed as operating agency and draft rehabilitation scheme has been submitted to BIFR.

BUSINESS PROSPECTS

The Company is slowly progressing on it's revival path by generating profit for last six years, after a continuous period of loss for seven years and is inching surely and steadily towards it's revival. Revenues of the Company has increased for the year ended on 31.03.2010 in comparison to year ended on 31.03.2009, and in view of positive outlook Company is confident to maintain the growth for coming years. Company has received numbers of enquiries and is putting all it's efforts to convert those enquiries in orders. Focused attention on the company's expertise in engineering and system integration, resulted in generation of a number of enquires. The company however is selecting it's orders depending upon the suitability of it's resources. The company has executed orders on Engineering Procurement & Constructions (EPC) basis for prestigious clients. The company is actively exploring avenues for enhancing it's turnover and profit in the forthcoming years.

FIXED DEPOSITS

During the year under review the Company has not accepted any deposits within the meaning of Section 58-A of Companies (Acceptance of Deposits) Rule, 1975.

DIRECTORS

Mr. Bakul Shah and Mr. Rajesh Ulhas Deshpande retires by rotation & being eligible offers themselves for re-appointment.

Mrs. Rajalakshmi Venkat resigned from Board w.e.f 27.05.2010. Board place on record it's appreciation on the contribution made by Mrs. Rajalakshmi Venkat during her tenure.

Mr. Dipakkumar Sah has been appointed as Managing Director for a period of five years w.e.f 01.04.2010. subject to approval of shareholders at ensuing Annual General Meeting.

Mr. S. Venkata Subramanian has been appointed as Whole-Time-Director for a period of five years w.e.f 01.04.2010. subject to approval of shareholders at ensuing Annual General Meeting.

Mr. Dinesh Kumar Agarwal has been appointed as Whole-Time-Director for a period of five years w.e.f 27.05.2010. subject to approval of shareholders at ensuing Annual General Meeting.

AUDITORS

M/s. D.C. Bothra & Co. Chartered Accountants, Auditors of the Company retire at the forthcoming Annual General Meeting. They are eligible for re-appointment and have furnished a certificate, certifying that their re-appointment shall be within the limits of section 224(1) of the Companies Act, 1956. Your Directors recommended their re-appointment.

AUDITORS REPORT

As regards the observations made by the Statutory Auditors in their Report, suitable explanations have been included in the notes forming part of the accounts.

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The board has adopted the principles of good Corporate Governance and is committed to adopt any obligation under the relevant practices for governance. We believe that good governance is voluntary and self-disciplining, with the strongest impetus coming from Directors, and the management itself. The Board lays emphasis on integrity, transparency and accountability, Compliance Report on Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange, is annexed.

DIRECTORS RESPONSIBILITY STATEMENT

In the preparation of annual accounts for the year ended 31st March 2010, the Company has followed the applicable accounting standards along with proper explanation relating to material departures.

The Directors have selected such accounting policies and applied them consistently and made judgment 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 financial year and of the profit and loss of the Company for the year ended 31st March 2010.

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.

The Directors have prepared the annual accounts on a going concern basis.

PERSONNEL

The relation with the employees of the company continued to be cordial throughout the year under report.

None of the employees has been paid remuneration above the amount prescribed under Section 217 (2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO.

A Statement furnishing the information as required under the Companies (Disclosure of particulars in the Report of Directors) Rules 1988 is annexed.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their sincere gratitude for the valuable support extended to your Company by its Bankers, Financial Institutions and Government Authorities.

FOR AND ON BEHALF OF THE BOARD

DIPAKKUMAR SHAH
MANAGING DIRECTOR

PLACE : MUMBAI
DATE : 27.05.2010

ANNEXURE TO DIRECTORS REPORT

(Additional information given in terms of Notification 1029 of 31.12.1988 issued by the Department of Company Affairs)

Disclosure**A. Conservation of Energy :****a) Energy Conservation measures taken:**

- Optimisation of power factor by effective operation of power capacitor near load point.
- Regular preventive maintenance of energy consuming equipment.
- Maximum demand control by switching off unnecessary illumination.
- Controlling energy consumption by switching off idle machines & electrical power supply system.

b) Additional investments & proposals, if any:

- No additional investment for conservation of Energy was made during the year.

c) Impact of the above measures on consumption of Energy:

- Stabilization in revenue expenditure for maintenance of illumination & electrical power supply system.

d) Total Energy Consumption & Energy:

- Consumption per unit of production as prescribed not given as the Company is not covered under the list of specific industries.

B. Technology absorption : Refer Form 'B' given below

C. Foreign Exchange Earning : Rs. NIL (NIL)

D. Foreign Exchange Outgo : Rs. 57,34,291/- (NIL)

FORM B**1. Specific areas in which R & D carried out by the company.**

- Product development in line with Company's present business
- Development & evaluation of alternate system/raw materials

2. Benefits derived as a result of the above R & D

- Development of existing product of improved design i.e. Industrial Boilers with high efficiency.

3. Further plan of action:

- To carry out further product development & technology upgradation.

4. Expenditure on R & D:

- Since the research & Development is carried out in the design of the product drawn by our design department, specific expenditure for R & D has not been ascertained.

5. Technology absorption, adoption & innovation:

- No other process for technology absorption, adoption & innovation has been adopted.\
- The Company proposes to obtain ISO Certification.

For & On Behalf of the Board

DATE : 27.05.2010
PLACE : MUMBAI

DIPAKKUMAR SHAH
MANAGING DIRECTOR