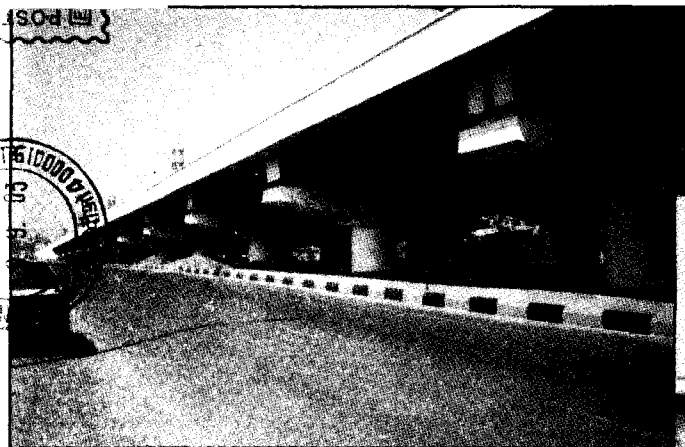


20TH ANNUAL REPORT

2002-2003



COMPANY WITH A CONCRETE BASE

STRESSCRETE INDIA LIMITED



BOARD OF DIRECTORS

Mr. Arvind B. Shah
Chairman and Managing Director
Dr. Kanu J. Patel (NRI)
Mr. Sanjeev P. Puri
Mrs. Arti J. Gandhi, Executive Director
Mr. Bharat B. Shah, Whole-time Director



BANKERS

Development Credit Bank Limited



AUDITORS

Chokshi & Chokshi
Chartered Accountants



Registered Office :

Survey No. 35/10, Lohop Village, Khalapur Taluka, Raigad District.

Corporate Office :

Ground Floor, Chadha Building, Plot No. 95, Scheme No. 57,
Sewri-Wadala Estate, Wadala (W), Mumbai - 400 031.
Tel. : 418 3322 • Fax : 418 1665 • Email : screte@bol.net.in

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of Stresscrete India Limited will be held on Tuesday, 30th September 2003 at 3.00 p.m. at the Registered Office of the Company at Survey No.35/10, Lohop Village, Khalapur Taluka, Raigad District, to transact the following business.

1. To receive, consider and adopt the audited Balance sheet as at 31st March 2003, the Profit & Loss Account for the year ended on that date and the Reports of the Auditors' and the Directors' thereon.
2. To appoint a Director in place of Mr.Sanjeev Puri who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr.Bharat B. Shah who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

On behalf of the Board of Directors

MUMBAI :

DATED : 26th August 2003

A. B. SHAH.

CHAIRMAN

NOTES :

- i) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- ii) The Register of Member and Transfer Books of the Company will remain closed from Thursday 25th Sept.2003 to Tuesday 30th Sept. 2003 (both days inclusive) for the purpose of Annual General Meeting.
- iii) Members are requested to notify change in their address if any, quoting there folio no. to the following address of the Registrar and Share Transfer Agents of the Company.
Intime Spectrum Registry Ltd.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
MUMBAI - 400 078.
- iv) The shares of the Company are available for dematerialisation with NSDL & CDSIL. The ISIN of the scrip is INE 115CO1014
- v) Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting and for easy identification of attendance at the meeting.
- vi) Members are informed that in the case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- vii) Under Section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No.2B in duplicate (which will be made available on request) to Intime Spectrum Registry Ltd.,
- viii) Shareholders are requested to bring their copy of the Annual Report to the Meeting. Members/Proxies should fill the Attendance Slip for attending the meeting.
- ix) Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- x) The details pertaining to Directors retiring by rotation pursuant to Clause No.49 is given below:

Mr.Sanjeev Puri : He is 41 years old and a Graduate in Commerce from University of Mumbai. He is into the business of interior and transport since more than 17 years and has rich and wide business experience. He does not hold the office of Directorship in any Company.

Mr.Bharat B. Shah : He is 64 years old and holds a Degree of Bachelor of Science from University of Gujarat and has wide experience of 32 years in commercial and Administrative field. He has been holding the office of Directorship of the Company for the past 17 years. He does not hold the office of Directorship of the Company in any Company.

20th ANNUAL REPORT 2002-2003**STRESSCRETE INDIA LIMITED****DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the Twentieth Annual Report and the audited Annual Accounts of the Company for the year ended 31st March 2003.

FINANCIAL RESULTS

	Year ended 31/3/2003 (Rs. in lakhs)	Year ended 31/3/2002 (Rs. in lacs)
Income from operation & other income	686.53	633.46
Profit before depreciation, Interest and tax	108.77	88.09
Interest	34.15	29.68
Depreciation	41.29	35.02
Income-Tax including deferred tax	9.96	8.80
Prior period Tax/Other adjustments	1.47	0.07
Profit after Tax	13.42	14.66
Add : Balance B/f.	20.26	5.60
Balance C/f. to Balance sheet	33.68	20.26

DIRECTORS :

Mr. Sanjeev Puri & Mr. Bharat B. Shah, will be retiring by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for reappointment.

AUDITORS :

M/s. Chokshi & Chokshi, Chartered Accountants retire at the forthcoming Annual General Meeting of the Company and are eligible for re-appointment.

AUDITORS' REPORT :

The remarks made by the Auditors in their Report vide Para (4) for non confirmation and reconciliation of certain balances of Sundry Debtors, Creditors and Deposits. Estimation of escalation of work in progress, non verification of assets hypothecated to Western Railway, the management is of the view that the notes given in Schedule 'Q' regarding each item are self explanatory and therefore do not call for any further comments on the Auditors' Report.

As regard absence of balance confirmation from certain banks of their outstation branches the management would like to submit that the requisite correspondence for the balance confirmation has been sent to the respective banks at their outstation branches. However, there was no response for the same and since the balance to be confirmed are not of material value, the same is not considered significantly affecting position of the Company.

PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956.

There are no employees who were employed throughout the financial year and were in receipt of remuneration which in aggregate was not less than Rs.24,00,000/- for the financial year or were employed for the part of the financial year and were in receipt of remuneration at a rate which in aggregate was not less than Rs.2,00,000/- per month.

CONSERVATION OF ENERGY :

Your Company is not covered by the Schedule of the Industries which are required to furnish information in Form 'A' and 'B' under Section 217 (1) (e) of the Companies Act, 1956.

LISTING :

The Shares of the Company are listed on the Stock Exchange, Mumbai. The company has paid the requisite listing fees upto the year 2003- 2004.

FOREIGN EXCHANGE EARNING AND OUTGO :

Total foreign Exchange earnings were Rs.24,11,551/- and the Company incurred NIL outgo on account of foreign exchange during the year ended 31/3/2003.

20th ANNUAL REPORT 2002-2003**STRESSCRETE INDIA LIMITED****DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act 1956 the Directors confirm the following in respect of the audited annual accounts for the year ended 31st March 2003.

- 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 judgment and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the year ended 31st March 2003 of that profit of the Company for that period.
- iii) that the Directors has taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and deflecting fraud and other irregularities.
- iv) that the Directors had prepared the annual accounts on a going concern basis.

AUDIT COMMITTEE :

During the year under review the Company has formed Audit Committee to comply with the Provisions of the Companies Act, 1956 and the Listing Agreement. The audit committee comprises of the following Members

1.	Mr. Sanjeev Puri	Chairman
2.	Mr. B. B. Shah	Member
3.	Mr. Kanu Patel	Member.

CORPORATE GOVERNANCE :

A separate section on Corporate Governance forms part of the Annual Report. A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is Annexed to this Report.

ACKNOWLEDGEMENT :

The Directors wish to thank the Customers, the Bankers, Financial Institutions, Shareholders and the Governments for their continued support. The Directors also take this opportunity to record their appreciation for the contribution made by all employees to the operation of the Company during the year.

On behalf of the Board of Directors

MUMBAI :

DATED : 26th August 2003

A. B. SHAH.
CHAIRMAN

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STRESSCRETE INDIA LIMITED

CORPORATE GOVERNANCE REPORT :

The Company's Shares are listed at the Stock Exchange, Mumbai.. Clause 49 of the Listing Agreement entered into with the Stock Exchange sets out the conditions of Corporate Governance with the Listed Companies are required to comply with. The details of such compliances are furnished hereunder:

1. **SIL Philosophy on code of Governance**

SIL's principles on Corporate Governance practices set out, forms the philosophy of the Company on Corporate Governance.

2. **Board of Directors :**i) **Board Composition:**

As at March 31, 2003, the Board consisted of five members. The Composition and category of Directors on the Board of the Company were as under:

CATEGORY	PARTICULARS OF DIRECTORS
Promoter Directors	Mr.Arvind B. Shah Dr.Kanubhai Patel
Non Promoter Executive Directors	Mrs. Arti J. Gandhi Mr.Bharat B. Shah
Independent Director	Mr.Sanjeev Puri Mr. Ajay Ukalkar (resigned w.e.f. 25.06.2002)

Except Mr.Ajay Ukalkar, Nominee Director (SICOM) none of the Directors resigned during the year under review. The company did not appoint any new Directors and the Financial Institution (SICOM) did not nominate any Director on the Board during the year under review

ii) **Board Meeting :**

The Board held its Meeting on 30th April 2002, 25th June, 2002, 31st July 2002, 9th August, 2002, 23rd August 2002, 31st October 2002 and 31st January 2003. The maximum interval between any two meetings was 92 days. The minutes of the Board Meeting disclosed the timing and duration of the meeting.

iii) **Attendance of Directors:**

Directors	Meetings held during the tenure of Directors	Meeting attended	Attendance at the last AGM
Mr.Arvind B. Shah	7	7	Yes
Mrs. Arti J. Gandhi	7	7	Yes
Mr.Bharat B. Shah	7	7	Yes
Dr.Kanubhai Patel	7	Nil	No
Mr.Sanjeev Puri	7	1	No
Mr.Ajay Ukalkar	2	Nil	No

NOTES :

a) Except Mr.Arvind B. Shah, Mrs. Arti J. Gandhi and Mr.Bharat B. Shah, none of the Directors is related to any other Directors.

b) None of the Directors has any business relationship with the Company.

c) None of the Directors received any loans and advances from the Company during the year.

d) The Company has paid remuneration to one of the relatives of Mrs. Arti J.Gandhi holding place of profit in the Company.

iv) **Other Boards of which Directors are members :**

Name of Directors	No. of other Directorship	Committees Membership	Other Directorship Chairmanship	
Mr.Arvind B. Shah	1	Nil	Nil	Stresscrete Industries Ltd.
Mrs. Arti J. Gandhi	Nil	Nil	Nil	N.A.
Mr.Bharat B. Shah	Nil	Nil	Nil	N.A.
Mr.Sanjeev Puri	Nil	Nil	Nil	N.A.
Dr.Kanubhai Patel	Nil	Nil	Nil	N.A.

No Directors hold Membership of more than 10 Committees of Boards nor is any Director a Chairman of more than 5 Committees of Boards.

3. **AUDIT COMMITTEE :**

The Audit Committee of SIL was set up in January 2003. The Committee consisted of 3 Directors of which one being independent. The Committee did not hold any meeting during the Financial year under review. The Audit Committee

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STRESSCRETE INDIA LIMITED

also advises management on the area where internal audit can be improved. The terms of reference in the audit committee as stipulated in Clause 49 of the Listing Agreement are as follows :

1. Mr.Sanjeev Puri Chairman
2. Mr.B.B. Shah Member
3. Mr.Kanu Patel Member

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information.
- b) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management the annual financial statements before submission to the board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgement by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e) Reviewing the adequacy of internal audit functions.
- f) Discussion with internal auditors any significant findings and follow up there on.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external auditors before the audit commences on the nature and scope of audit as well as to have post audit discussion to ascertain any area of concern.
- i) Reviewing the company's financial and risk management policies.

The Audit Committee has the following powers :

- i) to investigate any activity within its terms of reference.
 - ii) to seek any information from any employee.
 - iii) to obtain outside legal and professional advice.
 - iv) To secure attendance of outsiders with relevant expertise, if it considers its necessary
- No Audit Committee meeting is held during the financial year under review.

4) Remuneration Committee.

The Company has not constituted any remuneration committee. However the remuneration paid to the Executive Directors are in consonance with the agreement entered into with them by the Company and considering the positions held by them and the financial condition of the company. The table below shows the remuneration paid to the Directors during the year 2002-2003.

Name of Directors	Position held	Total remuneration paid (in Rs.)
Mr.Arvind B. Shah	Chairman & Managing Director	Rs.5,70,000/-
Mrs. Arti J. Gandhi	Executive Director	Rs.2,77,500/-
Mr.Bharat B. Shah	Whole Time Director	Rs.1,26,000/-

5) Share holders/ Investors Grievances Committee.

The Board of Directors of the Company constituted Share holders/ Investors Grievances Committee in January 2003. The Committee comprises of Mr.Arvind B. Shah, Mrs. Arti J. Gandhi and Mr.Sanjeev Puri. The Shareholders / Investors Grievances Committee has been delegated the power to approve the transfer of shares which was hitherto exercised by Share Transfer Committee. The Committee also monitors redressal of Investors Grievances. The Company has appointed Intime Spectrum Registry Ltd. as a Common Agency for Share Registry work for both physical and electronic mode as per the Directives of SEBI. As required by the Stock Exchange, the Company has appointed Mrs. Arti J. Gandhi as the Compliance Officer to monitor the Share Transfer process and liaise with the regulatory Authorities. The tables below give attendance of the members at the meeting of Share holders / Investors Grievances Committee held during the year 2002-2003.

Directors	Meetings held during the tenure of Directors	Meetings attended
Mr.Arvind B. Shah	4	4
Mrs. Arti J. Gandhi	4	4
Mr.Sanjeev Puri	4	Nil

Since company has changed its Share Transfer Agent since 1st April, 2003 the details in respect of grievances for earlier period are not available.

6) General Body Meeting

The last three Annual General Meeting of the Company were held at the Registered Office of the Company at Survey No.35/10, Lohop Village, Khalapur Taluka, Raigad District on the following dates and time :

19th Annual General Meeting on 27th September 2002 at 3.00 p.m.

18th Annual General Meeting on 29th September 2001 at 3.00 p.m.

17th Annual General Meeting on 10th August , 2000 at 3.00 p.m.

There were no extraordinary / requisition meeting held during the year under review.

Postal Ballot :

During the year no Resolution was passed through the Postal Ballot Route.

7) Disclosures :

No transaction of material nature has been entered into by the Company with its promoters, the Directors or the Management, their subsidiary or relatives etc. that may have a potential conflict with the interests of the company. The Register of contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

8) Means of Communication :

Information like quarterly financial results and other legal notices has been made available to the Stock Exchange where the Shares of the Company are listed and from time to time to the press. The Quarterly Financial Results are published in the Free Press Journal and Nav Shakti.

A Report on Management discussion and analysis of account of Financial condition and results of operation of the Company has been included elsewhere in this report.

9) General Shareholders Information:

The Mandatory Shareholders Information is furnished in a separate section elsewhere in this report.

0) Auditor's Certificate on Corporate Governance.

The Auditor's Certificate on Compliance of clause 49 of the Listing Agreement relating to Corporate Governance is published as an Annexure to the Director's Report.

Investor Information:**Annual General Meeting :**

The Twentieth Annual General Meeting will be held on Tuesday, 30th September 2003 at 3.00 p.m. at survey No.35/10, Lohop Village, Khalapur Taluka, Raigad District.

Registrars and Share Transfer Agents :

The Company has appointed Intime Spectrum Registry Limited to act as Registrars and Share Transfer Agents for physical and electronic mode. Their address and contact no. are as follows :

Intime Spectrum Registry Ltd.,

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (West),

MUMBAI - 400 078.

Phone No.55555454 / Fax No.25672693 / 25689678

E-mail : isrl@intimespectrum.com

Contact person Kishorbhai Thakker, Director

The Shareholders are requested to forward Share transfer documents, dematerialisation request and other related correspondence directly to Intime Spectrum Registry Ltd., at the above address.

Web Site :

The Web Site address of the Company is : www.stresscreteindia.com it carries the relevant information about business activities of the company and the services rendered and facilities extended.

Compliance Officer :

Mrs. Arti J. Gandhi, Executive Director is the Compliance Officer under Clause 47 & 51 of the Listing Agreement entered into with the Stock Exchange.

Book Closure Dates :

The Register of Members and Share Transfer books of the Company shall remain closed from Thursday , 25th September, 2003 to 30th September, 2003 (both days inclusive).

Eliminate Duplicate Mailing :

If you hold the Shares of the Company in more than one folio in your name or with the same address as other Share holders of the Company, you may authorise the Company to discontinue mailing of multiple Annual Report.

Nomination facilities :

Individual Share Holders of physical shares can nominate any person for the shares held by them. This will save the nominee from the lengthy process of getting the shares later on transmitted to his name. For further details shareholders may write to the Registrar and Share Transfer Agents of the Company.

Share Transfer System :

Effective from 1st April 2003, the company has appointed Intime Spectrum Registry Ltd., to act as Registrar and Share Transfer Agent of the Company. Shareholders /Investors are requested to send Share transfer related documents directly to R&T Agent whose address is given at the beginning of this section.

The Committee of Directors of the Company namely Shareholders /Investors Grievances Committee is authorised to approve the transfer of shares. If the transfer documents are in order, the transfer of shares is registered within 15 days of the receipt of transfer documents by the R&T Agent Intime Spectrum Registry Ltd.

The Company has obtained the half yearly certificate from a Company Secretary in practice for due compliance of Share transfer