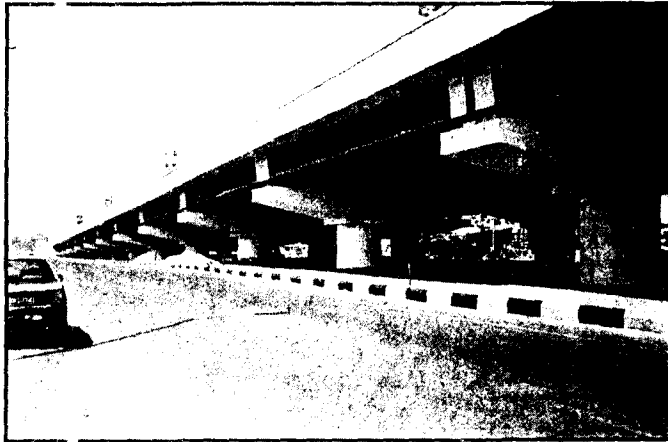


22nd ANNUAL REPORT 2004 - 2005



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Structural Precast Prestressed Concrete

STRESSCREE

INDIA LIMITED

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
Mr. Jawahar K. Mahi
Mr. Jayant K. Soni
Mrs. Arti J. Gandhi, Executive Director



BANKERS

Development Credit Bank Limited
Indian Overseas Bank

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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. : 2418 3322 • Fax : 2418 1665 • Email : screte@mtnl.net.in

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Stresscrete India Limited (The Company) will be held on Friday, 30th September 2005 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.

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the audited Profit and Loss Account for the Financial Year ended March 31st 2005 and Balance Sheet as on that date together with the Reports of the Directors and Auditors.
- 2) To appoint a Director in place of Mr.Bharat B. Shah who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Mr.Sanjeev Puri who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint a Director in place of Mr.Kanu J. Patel who retires by rotation and being eligible offers himself for re-appointment.
- 5) To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

To consider and if thought fit, to pass with or without modifications the following resolutions,

6) As ordinary Resolution:

RESOLVED THAT pursuant to Section 198, 269, 309,310 & Schedule XIII and other applicable provisions of the Companies Act 1956, the consent of the Company be and is hereby accorded for re-appointment of Mr.Arvind B. Shah as the Managing Director of the Company for a period of five years from 1st October 2004 to 30th September 2009, among other things on the following Terms and Conditions :

- 1) Salient features of agreement executed by Company with Mr.A.B. Shah Managing Director is as under :

Appointment : 5 years with effect from 1st October 2004 to 30th September 2009.

Salary : In the range of Rs.55,000/- to Rs.75,000/- per month.

HRA : In the range of Rs.15,000/- to Rs.25,000/- per month.

Commission : As fixed by Board subject to limits under the Companies Act 1956.

Perquisites & Allowances : Equivalent to Annual salary or as decided by the Board from time to time.

Retirements Benefits : a) Company's contribution to PF Superannuation Fund or Annuity Fund to the extent non-taxable under I.T. Act 1961

b) Gratuity as per the rules of the Company and Leave encashment at the end of tenure.

Accommodation : Furnished or House Rent Allowance or re-imbement of expenditure on maintenance of Self-occupied House.

Medical Expenses	: For Self and Family including hospitalisation and operation expenses
Club Membership fees	: Maximum of 2 Clubs excluding admission and life Membership fees.
Leave travel concession	: For Self and Family.
Car and telephone	: At residence for official use. Provision of Mobile Telephone.
Long Service benefits	: As per the policy of the Company.

Mr. A.B.Shah will not be liable for retirement by rotation and will not be paid any sitting fees for attending the Board Meetings, General Body Meetings or Committee Meetings.

RESOLVED THAT the Board of Directors be and are hereby authorised to provide such increments and modify the terms of appointment as may be fit.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all acts and deeds as may be required for the purpose.

7) As ordinary Resolution:

RESOLVED THAT pursuant to Section 198, 269, 309,310 & Schedule XIII and other applicable provisions of the Companies Act 1956, the consent of the Company be and is hereby accorded for re-appointment of Mrs.Arati J. Gandhi as Whole time Director of the Company for a period of five years from 1st April 2005 to 31st March 2010, among other things on the following Terms and Conditions :

Appointment:	: 5 years with effect from 1 st April 2005 to 31 st March 2010
Salary	: In the range of Rs.27,000/- to Rs.50,000/- per month.
HRA	: In the range of Rs.9,000/- to Rs.19,000/- per month.
Commission	: As fixed by Board subject to limits under the Companies Act 1956.
Perquisites & Allowances	: Equivalent to Annual salary or as decided by the Board from time to time.
Retirements Benefits	<p>a) Company's contribution to PF Superannuation Fund or Annuity Fund to the extent non-taxable under I.T. Act 1961</p> <p>b) Gratuity as per the rules of the Company and Leave encashment at the end of tenure.</p>
Accommodation	: Furnished or House Rent Allowance or re-imbursment of expenditure on maintenance of Self-occupied House.
Medical Expenses	: For Self and Family including Hospitalisation and operation Expenses
Club Membership fees	: Maximum of 2 Clubs excluding admission and life Membership fees.
Leave travel concession	: For Self and Family

Car and telephone : At residence for official use. Provision of Mobile Telephone.

Long Service benefits : As per the policy of the Company.

Mrs. Arti J. Gandhi will not be liable for retirement by rotation and will not be paid any sitting fees for attending the Board Meetings, General Body Meetings or Committee Meetings.

RESOLVED THAT the Board of Directors be and is hereby authorised to provide such increments and modify the terms of appointment as may be fit.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all acts and deeds as may be required for the purpose.

7. As Special Resolution;

RESOLVED THAT subject to provisions of Section 13, 94 and other applicable provisions of the Companies Act 1956, the Authorised Capital of the Company be and is hereby increased from Rs.5,25,00,000/- (Rupees Five hundred and twentyfive lakhs) divided into 52,50,000 (Fiftytwo lakhs fifty thousand) Equity Shares of Rs.10/- each to Rs.10,00,00,000/- (Rupees Ten Crores) divided into 100,00,000 (One hundred lakhs) Equity shares of Rs.10/- each.

RESOLVED FURTHER THAT consequent to the increase in the Authorised Capital and subject to section 19,34 and other applicable provisions of The Companies Act 1956 the Clause No.V of the Memorandum of Association be and is hereby amended to read as under:

The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores) divided into 100,00,000/- (One hundred lakhs) Equity shares of Rs.10/- each with the rights, privileges and condition attaching thereto as are provided by the regulation of the company for the time being with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or condition in such manner as may for the time being be permitted by the Act or by the Articles of Association of the Company.

RESOLVED FURTHER THAT consequent to the increase in the Authorised Share and subject to provisions of Section 31 and other applicable eprovisions of the Companies Act 1956 the Clause No.5 of the Articles of Association be and is hereby amended to read as under :

5. "The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000 (One hundred lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each."

8. As Special Resolution:

RESOLVED THAT subject to the provisions of Section 81, 81(1) and other applicable provision of the Companies Act 1956 (including any statutory modification or re-enactment thereof from time to time) and the regulations / guidelines, if any, prescribed by the Securities and Exchange Board of India or any other relevant authority from time to time, to the extent applicable and subject to such approvals, consents, permission and sanction as applicable or necessary, and subject to the provisions of the Memorandum of Association and Articles of Association of the Company, which the Board of Directors (hereinafter referred to at

"the Board", which term shall be deemed to include any committee or committees constituted / to be constituted by the Board and authorised by the Board to exercise its powers, including the powers conferred by this resolution) the Board be and is hereby authorised on behalf of the Company to create, offer, issue and allot upto Rs.10,00,00,000/- (Rupees Ten Crores) or 100,00,000 (One hundred lakhs) Equity Shares of Rs.10/- each in India or

abroad, in such tranches, on such terms and conditions and in such manner including but not limited to, by way of private placement or public issue or right issue to its Share holders or to any other domestic / foreign investors, body corporate, individuals, persons others, through prospectus and / or letter of offer, Right offer and/or any other documents as the Board may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted and to fix and modify the terms of offer.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue and allotment of Equity Shares, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary in this regard and to sign all deeds, documents, writing and to do all such acts and deeds as may be required for the purpose.

As Special Resolution :

RESOLVED that pursuant to Section 75 and other applicable provisions of the Companies Act 1956, the consent of the Company be and is hereby given to the Board of Director of the company to issue of Rs 5,00,00,000 (Five Crore)Equity Shares of Rs.10/- each as by way of Right issue in the ratio of 1:1 to the existing Share Holders of the Company.

RESOLVED THAT the Board of Directors be and are hear by authorised to fix the terms of the right issue and to modify, accept such terms us may be required.

RESOLVED THAT the Board of Directors be and are hereby authorised to do all acts and deeds and to sign all papers and documents as may be required for the purpose.

Dated :25/8/2005

**By Order of the Board
For STRESSCRETE INDIA LTD.
(S/D)**

Place : Mumbai

**A.B. Shah
Managing Director**

**Registered Office :
Survey No.35/10
Lohop Village,
Khalapur Taluka,
Nr.Vithoba Industrial Estate,Raigad Dist. Maharashtra.**

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. **Explanatory Statement Pursuant to Section 173 (2) of the Companies Act 1956 in respect of Special Business is annexed hereto and forms part of this notice.**
3. **The Register of Members and Share Transfer Books of the Company shall remain closed from 26th September, 2005 to 30th September 2005 both dates inclusive.**
4. **Members holding Shares in physical form are requested to notify their address / Bank Account details to the Company or to the Share Transfer Agents. M/s.Intime Spectrum Registry Ltd.**
5. **All documents referred to in the Notice and Explanatory Statement shall be available for inspection at the Registered office of the Company during office hours on all days except on Saturday, Sunday and public holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.**
6. **In terms of the provisions of Section 205 A of the Companies Act 1956 Dividends not encashed or claimed within seven years from the date of its transfer to the unpaid Dividends account, will be transferred to the Investor Education and Protection Fund established by the Central Government. Accordingly, unclaimed Dividends if any in respect of financial year 1996-1997 is due to transfer to the said fund shortly. In terms of provision of Section 205 C of the Companies Act 1956 no claim shall lie against the Company or the said fund after its said transfer.**
7. **Member desiring any information are requested to write to this Company at the earliest so as to enable the Board of Directors to keep the information ready.**
8. **Members are requested to bring the copy of the Annual Reports of the Company to the Meeting.**

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173 (2) of the Companies Act 1956 in respect of special business attached to notice of 22nd Annual General meeting.

Item No.5

The term of appointment of Mr.Arvind B. Shah as the Managing Director of the Company ended on 30th September 2004. The Board of Directors had re-appointed Mr.Arvind B. Shah as the Managing Director of the Company for a further period of five years from 1st October 2004 to 30th September 2009. The Resolution for approving the terms of appointment of Mr A.B.Shah as Managing Director of the company is placed before the members for approval. Mr.Arvind B. Shah has been associated with the Company since inception and has been rendering valuable contribution to the Company. It is felt that his association with the Company will benefit the Company immensely.

Except for Mr.Arvind B. Shah, Mrs. Arti J. Gandhi, Mr.Bharat B. Shah none of the other Directors are concerned or interested in the Resolution.

The Directors recommend passing of the Resolution.

Item No.6

The term of appointment of Mrs Arti J. Gandhi as Whole Time Director of the Company ended on 31st March 2005. The Board of Directors had re-appointed Mrs. Arti J. Gandhi as Whole Time Director of the Company for a further period of five years from 1st April, 2005 to 31st March 2010. The Resolution for approving the terms of appointment of Mrs. Aarti G. Gandhi as whole time Director is placed before the members for approval. Mrs Arti J. Gandhi has been associated with the Company for quite long time and has been rendering valuable contribution to the Company. It is felt that her association with the Company will benefit the Company immensely.

Except for Mrs. Arti J. Gandhi, Mr.Arvind B. Shah, Mr.Bharat B. Shah none of the other Directors are concerned or interested in the Resolution.

The Directors recommend passing of the Resolution.

Item No.7

During the course of operation of the Company, the Company would be requiring additional funds for its operation. One of the ways to meet the additional requirements of funds is by way of allotment of additional shares. Considering the future funds requirements, it is proposed to increase the present Authorised Share Capital from presently Rs.525,00,000/- lakhs (Rupees Five hundred twenty five lakhs) to Rs.10,00,00,000/- (Rupees ten crores) which will enable the Company to allot further shares as may be required.

The increase in the Authorised Capital would require the amendments to the Capital Clause in the Memorandum and Articles of Association of the Company.

The Resolution for increasing the Authorised Share Capital and consequently amendment to the Capital Clause of Memorandum and Articles of Association of the Company is placed before the Members for approval.

All the Directors are deemed to be concerned or interested in the resolution to the extent of the shares that may be applied and allotted to them.

The Directors recommend passing of the Resolution.

Item No.8

With the increase in the Authorised Capital the consent of the Members is solicited for allotment of the shares upto the increased Authorised Share Capital to the Members, others by way of Right Issue, Public Issue, Private Placement or other means in such proportion as may be decided by the Board of Directors pursuant to Section 81, 81(1) of the Companies Act 1956.

All the Directors are deemed to be concerned or interested in the resolution to the extent of the shares that may be applied and allotted.

Item No.9

The Company requires funds for its operations. While the Company has been availing various facilities from the Banks, it is felt that the Company should meet its part funds requirements by issue of Right Issue. Depending upon the funds requirement the Company proposes to issue Right Shares to its members in the ratio 1:1. The consent of the members is therefore sought to authorise the board of directors for issue of 50,00,000 (Fifty lakhs) of Rs 10/- each.

The Directors recommend passing of the Resolution.

All the Directors are deemed to be concerned or interested in the resolution to the extent of the shares that may be applied and allotted to them.

Dated : 25/8/05

By Order of the Board
for STRESSCRETE INDIA LTD.
(S/D)

Place : Mumbai

A.B. Shah
Managing Director

Registered Office :

Survey No.35/10
Lohop Village,
Khalapur Taluka,
Nr.Vithoba Industrial Estate.Raigad Dist. Maharashtra.

DIRECTOR'S REPORT :

Your Directors have pleasure in presenting the Twenty Second Annual Report alongwith the Audited Statement of Accounts for the year ended 31st March 2005.

FINANCIAL RESULTS

	Year ended 31/3/2005 (Rs.in lakhs)	Year ended 31/3/2004 (Rs. in lacs)
Income from operation & other income	647.34	463.04
Profit before depreciation, Interest and tax	58.31	52.26
Interest	52.87	27.65
Depreciation	46.69	46.46
Income-Tax including deferred tax	0.57	0.27
Prior period Tax/Other adjustments	-	1.46
Profit after Tax	(41.82)	(23.58)
Add : Balance B/f.	10.10	33.68
Balance C/f. to Balance sheet	(31.72)	10.10

(Figures for Previous Year have been re-grouped, wherever necessary)

OPERATIONS:

Your Company is executing major bridge and building projects using latest technology. Performance, quality and speed of construction have been appreciated by our customers .However profitability of the Company was severely affected due to unprecedented price rise in construction inputs such as steel, High Tensile Steel, cement, diesel, etc. This has been universal problem with many Government contractors and the Company is following up reimbursement of this additional expenses with the concerned department and hope to recover this additional expenses from the customers. This is expected to improve the company performances in times to come .

PROSPECTS :

Our products have been well received in the market and many enquiries have been received for various construction projects using Company's products. Fast track construction of various infra structure projects such as roads, bridges, buildings, industrial structures, malls, etc. will necessitate use of Company's products and demand of our products will increase substantially with the passage of time. Increase in building construction activities has also good potential for the use of Company's products and the companys is expecting substantial orders in the near future.

DIVIDEND :

In view of the loss, your Directors do not recommend any dividend for the year.

FIXED DEPOSITS:

The Company has not accepted any Fixed Deposits attracting the provisions of Section 58 -A of the Companies Act 1956 and the Rules made thereunder :

BOARD OF DIRECTORS :

In terms of the provisions of the Articles of Association Mr.Bharat B.Shah,Mr. Sanjeev Puri and Mr.Kanu J. Patel retires by rotation and being eligible offers themselves for re-appointment

The term of office of Mr.Arvind B. Shah as Managing Director ended on 1st October, 2004. The Board of Directors had re-appointed Mr. Arvind B. Shah as Managing Director for a further period of five years from 1st October 2004 to 30th September 2009. The Resolution for approving the terms of his appointment is placed before the Members for approval.

The term of office of Mrs.Arati J. Gandhi as Whole Time Director ended on 31st March 2005. The Board of Directors had re-appointed Mrs.Arati J. Gandhi as Whole Time Director for a further period