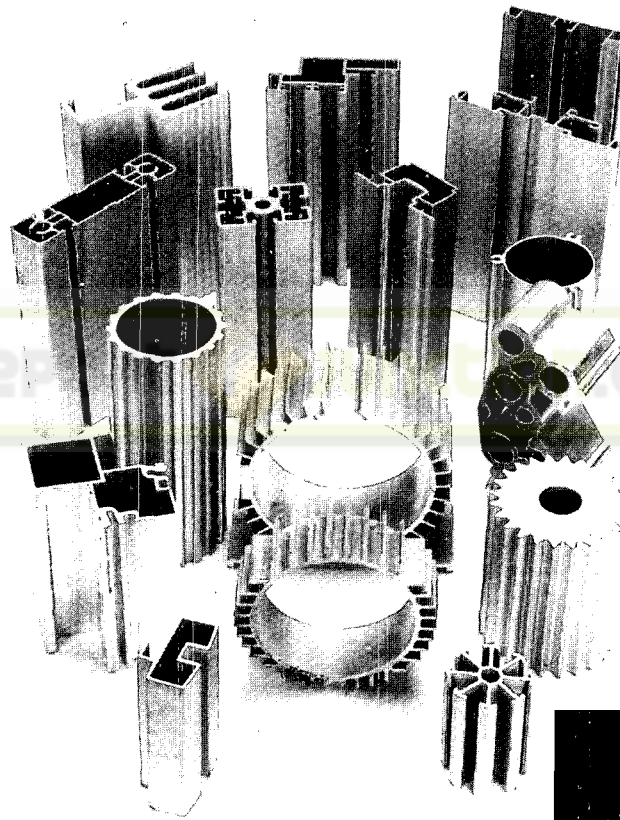


SUDAL

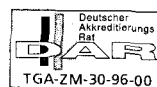
INDUSTRIES LIMITED



**29th ANNUAL REPORT
2007 - 2008**



RWTUV

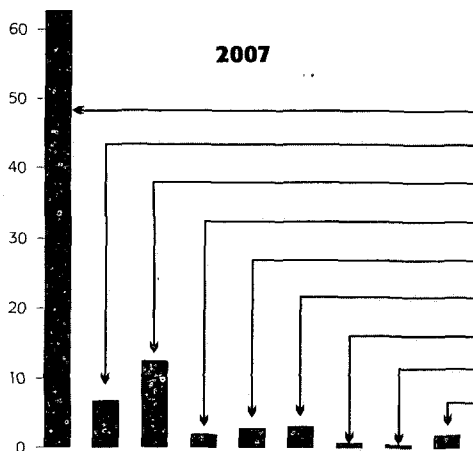
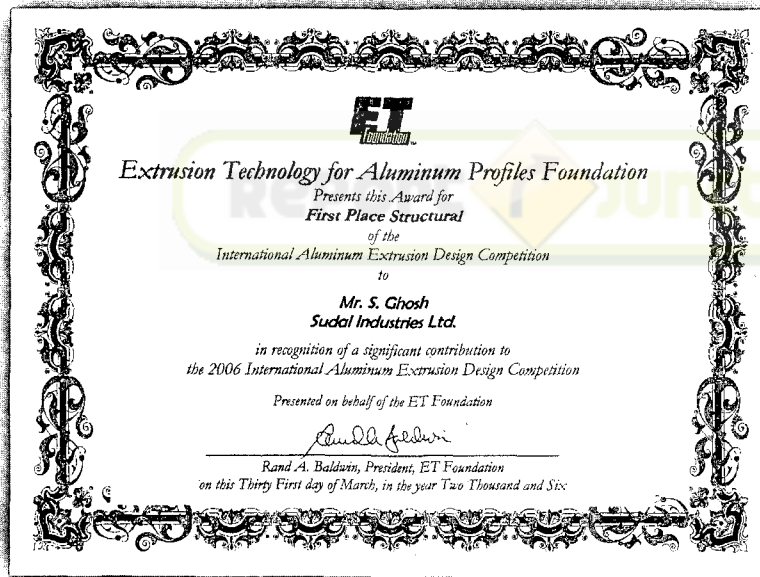




SUDAL INDUSTRIES LIMITED - FINANCIAL STATISTICS (Rupees in Lacs)

Particulars	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Income	3329.39	4877.40	5167.61	7915.68	7829.78
Raw Materials	2096.44	3134.79	3247.13*	5388.12	5049.83
Manufacturing Cost	312.56	397.11	464.41	591.26	581.77
Excise Duty	422.16	645.20	682.89	1062.46	1003.96
Salary & Wages	129.58	146.27	147.52	174.31	214.51
Other Expenses	184.60	215.43	219.80	236.14	312.38
Interest	202.81	235.88	223.31	262.46	281.37
Depreciation	18.65	23.09	28.71	36.38	39.86
Provision for fringe benefit tax	0	0	4.01	4.20	3.77
Net Profit/(Loss)	(37.41)	79.63	149.83	160.35	342.33

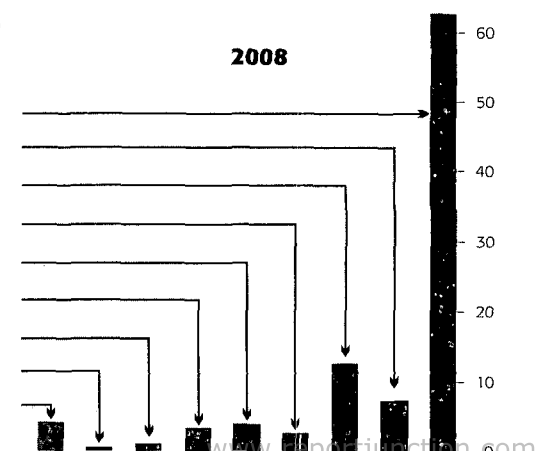
* Net of write back.



SUDAL INDUSTRIES LIMITED BREAK UP OF RUPEE

PARTICULARS

68.07 %	Raw Materials	64.50 %
7.47 %	Manufacturing Cost	7.43 %
13.42 %	Excise Duty	12.82 %
2.20 %	Salary & Wages	2.74 %
2.98 %	Other Expenses	3.99 %
3.32 %	Interest	3.59 %
0.46 %	Depreciation	0.51 %
0.05 %	Provision for fringe benefit tax	0.05 %
2.03 %	Profit / (Loss) for the year	4.37 %



Board of Directors

BOARD OF DIRECTORS

Shri Shriram C. Chokhani
Chairman and Managing Director

Shri Sudarshan S. Chokhani
Jt. Managing Director

Shri Deokinandan Ajitsaria

Shri C. M. Maniar

Shri S. Malhotra
(Syndicate Bank Nominee)

Shri M. O. Shah

AUDITORS

Lodha & Company
Chartered Accountants,
Karim Chambers,
40, Ambalal Doshi Marg,
Mumbai 400 023.

BANKERS

Syndicate Bank

CORPORATE OFFICE

26A, Nariman Bhavan, 227, Nariman Point,
Mumbai 400 021.
Phone No. : 22023845.

REGISTERED OFFICE & PLANT

A-5, M.I.D.C. Ambad Industrial Area,
Mumbai-Nashik Highway
Nashik 422 010, Maharashtra.
Phone No. : 2382396.

REGISTRARS AND SHARE TRANSFER AGENTS

Sharepro Services (I) Pvt. Ltd.,
912, Raheja Centre,
Nariman Point, Mumbai 400 021.
Members' Register, Index etc.
are kept only at the office of
Registrars and Share Transfer Agents,
M/s. Sharepro Services (I) Pvt. Ltd.
Tel. No. 28348218/28329828

GRIEVANCE REDRESSAL/COMPLIANCE OFFICER

K. G. Inamdar, Company Secretary
mumbai@sudal.co.in

Request to Members

Annual Reports will not be distributed at the Annual General Meeting in view of the high cost of paper and printing. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.



Sudal Industries Limited

www.reportjunction.com

Notice is hereby given that the 29th ANNUAL GENERAL MEETING of the Members of SUDAL INDUSTRIES LIMITED will be held on 2nd June, 2008 at 3.30 p. m. at Hotel Sai Palace, Mumbai Nashik Highway, CIDCO, Nashik - 422010, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors Report, Audited statement of Profit & Loss Account for the year ended 31st March, 2008 and Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint a Director in the place of Shri Chaitan. M. Maniar, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors, M/S LODHA & COMPANY, Chartered Accountants, are eligible for reappointment.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as "Special Resolution".

RESOLVED THAT pursuant to the provisions of Sections 269, 309, 311 and Section 198(4) as when applicable and other provisions, if any, of the Companies Act, 1956, the Company hereby approves the terms of reappointment and remuneration including minimum remuneration (as approved by the Remuneration Committee and by the Board of Directors) to be paid to Shri Shriram C. Chokhani, who has been reappointed by the Board of Directors as the Managing Director for a further period of Three years from the date of expiry of his present term of office viz. 1/11/2008 upon the terms and conditions set out in Explanatory Statement, with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment in such manner as may be directed by the concerned authorities, if any, and acceptable to Shri Shriram C. Chokhani.

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as "Special Resolution".

RESOLVED THAT pursuant to the provisions of Sections 269, 309, 311 and Section 198(4) as when applicable and other provisions, if any, of the Companies Act, 1956, the Company hereby approves the terms of reappointment and remuneration including minimum

remuneration (as approved by the Remuneration Committee and by the Board of Directors) to be paid to Shri Sudarshan S. Chokhani, who has been reappointed by the Board of Directors as the Joint Managing Director for a further period of Five years from the date of expiry of his present term of office viz. 1/11/2008 upon the the terms and conditions set out in Explanatory Statement, with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment in such manner as may be directed by the concerned authorities, if any, and acceptable to Shri Sudarshan S. Chokhani.

Notes:

- (A) AN EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956, IN RESPECT OF THE SPECIAL BUSINESS UNDER ITEM NOS. 4 & 5 ABOVE SET OUT, IS ANNEXED HERETO.
- (B) 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 HIM. A PROXY NEED NOT BE A MEMBER.
- (C) PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AND NOT LESS THAN 48 HOURS BEFORE THE MEETING DULY STAMPED, COMPLETED AND SIGNED.
- (D) THE REGISTER OF MEMBERS AND THE SHARE TRANSFER REGISTER OF THE COMPANY WILL BE CLOSED FROM 27/05/2008 TO 02/06/2008 (BOTH DAYS INCLUSIVE).
- (E) THE COMPANY'S ISIN HAS BEEN MADE LIVE IN THE CDS SYSTEM WITH CENTRAL DEPOSITORY SERVICES (INDIA) LTD., AND WITH NATIONAL SECURITIES DEPOSITORY LTD. ISIN ACTIVATION: ISIN-INE618D01015. ESTEEMED SHARE-HOLDERS CAN DEMATERIALISE THEIR SECURITIES.

By Order of the Board

K. G. INAMDAR
Company Secretary

Regd. Office:

A-5 MIDC Ambad Indl. Area
Bombay Nashik Highway
Nashik-422010.

Place : Mumbai

Dated : 16th April, 2008



Notice to the Shareholders

EXPLANATORY STATEMENT ANNEXURE TO NOTICE

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

Item No. 4

The Company is manufacturer of Aluminium Extrusions and is in operation for last 28 years. The financial performance is given in the Directors' Report and export performance/net foreign exchange earning is also a part of report.

Shri Shriram C. Chokhani from beginning holding a position of Managing Director of the Company whose present term of appointment as Managing Director is expiring on 31/10/2008. He is a commerce graduate and did D.B.M. from Mumbai University & advance management from Syracus University, USA under TCM and NPC programme. For more than 5 decades he is in the field of Aluminium.

He is performing such duties and exercising such powers, as per existing agreement and from time to time assigned or vested in him by Board of Directors, for forecasting, planning, organising, directing, delegating authority & responsibility, review, taking corrective action for Company's Business as a whole.

He is giving his major time & attention to the working of the plant at Nashik and general control over Marketing.

His present remuneration is same as proposed. The proposed remuneration is based on the effective capital of the Company which is lower than the minimum level.

The pecuniary relationship, other information about profitability, future improvement in productivity, profits etc. as well as disclosures are given in the Annual Report and under Corporate Governance.

Despite the various unforeseen constraints faced by the Company, due to his perseverance and efforts, the Company could pass through the difficulties.

The Board of Directors, in view of his undoubted sincerity and ability and having wide and varied experience in the field of Aluminium, decided to reappoint him as the Managing Director of the Company.

His association with the Company as Managing Director is and will be beneficial to the Company.

PERIOD: 3 YEARS from 1st November, 2008 – 31st October, 2011.

REMUNERATION:

Salary: Rs. 57000/- Per Month, including all perquisites permissible under schedule XIII of the Companies Act, 1956

and commission subject to the ceiling prescribed in this behalf under the Companies Act, 1956.

Gratuity payable in accordance with the rules of the Company or as per the Gratuity Act amended from time to time, and the value of such benefits shall not be included in the computation of limits for the remuneration or perquisites.

Free use of the Company's car for business and, free telephone facility at residence are not considered as perquisites. No personal long distance calls on telephone calls are allowed.

Reimbursement of all entertainment and travelling and out of pocket expenses actually and properly incurred for the business purpose of the Company.

The remuneration of Rs. 57000/- per month excluding expressly the benefits and amenities aforesaid shall be paid and allowed as the minimum remuneration for any year in case of absence or inadequacy of profits for each year.

The Managing Director shall not be entitled to fees payable to directors for attendance at Board meetings or meetings of any committee appointed by the Board or under any statute.

If at 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 in terms of the agreement.

The agreement to be entered into may be terminated by either party by giving to the other party three months notice of such termination.

This may also be treated as an abstract of the Agreement to be entered into between Shri Shriram C. Chokhani and the Company pursuant to Section 302 (2) & (7) of the Companies Act, 1956.

Shri Shriram C. Chokhani is interested in the Resolution.

Shri Sudarshan S. Chokhani and Shri D. N. Ajitsaria directors of the Company may be deemed to be interested as they are related to Shri Shriram C. Chokhani.

None of the other Directors is, in any way, concerned or interested in this Special Resolution.

The resolution is commended for your consideration.

Item No. 5

The Company is manufacturer of Aluminium Extrusions and is in operation for last 28 years. The financial performance is given in the Directors' Report and Export performance/net foreign exchange earning is also a part of report.

Shri Sudarshan S. Chokhani, whose present term of appointment as Jt. Managing Director is expiring on



31/10/2008. He is a commerce graduate and did E.D.P. from Mumbai University. For more than 3 decades he is in the field of Aluminium.

Despite the various constraints faced by the company, due to his perseverance, efforts and able support to Shri Shriram C. Chokhani CMD of the company in day-today working and also in the policy decision; the company could withstand and overcome the difficulties faced by it.

He is performing such duties and exercising such powers as per existing agreement and from time to time assigned or vested in him by Board of Directors for forecasting, planning, organising, directing, delegating authority & responsibility, review, taking corrective action for Company's Business as a whole.

The proposed remuneration is based on the effective capital of the Company which is lower than the minimum level.

The pecuniary relationship, other information about profitability, future improvement in productivity, profits etc. as well as disclosures are given in the Annual Report and under Corporate Governance.

The Board of Directors, in view of his undoubted sincerity and ability and having gained wide and varied experience in the field of Aluminium, decided to reappoint him as the Jt. Managing Director of the Company.

His association with the Company as Jt. Managing Director will be beneficial to the Company.

PERIOD: 5 YEARS from 1st November, 2008 – 31st October, 2013.

REMUNERATION:

Salary: Rs. 28500/- Per Month, including all perquisites permissible under schedule XIII of the Companies Act, 1956 and commission subject to the ceiling prescribed in this behalf under the Companies Act, 1956.

Gratuity payable in accordance with the rules of the Company or as per the Gratuity Act amended from time to time, and the value of such benefits shall not be included in the computation of limits for the remuneration or perquisites.

Free use of the Company's car for business and free telephone facility at residence are not considered as perquisites. No personal long distance calls on telephone calls are allowed.

Reimbursement of all entertainment and traveling and out of pocket expenses actually and properly incurred for the business purpose of the Company.

The remuneration of Rs. 28,500/- per month excluding expressly the benefits and amenities aforesaid shall be paid and allowed as the minimum remuneration for any year in case of absence or inadequacy of profits for each year.

The Joint Managing Director shall not be entitled to fees payable to directors for attendance at Board meetings or Meetings of any committee appointed by Board or under any statute.

If at any time, the Joint Managing Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Joint Managing Director in terms of the agreement.

The agreement to be entered into may be terminated by either party by giving to the other party three months notice of such termination.

This may also be treated as an abstract of the Agreement to be entered into between Shri Sudarshan S. Chokhani and the Company pursuant to Section 302 (2) & (7) of the Companies Act, 1956.

Shri Sudarshan S. Chokhani is interested in the Resolution.

Shri Shriram C. Chokhani and Shri D. N. Ajitsaria directors of the Company may be deemed to be interested as they are related to Shri Sudarshan S. Chokhani.

None of the other Directors is, in any way, concerned or interested in this Special Resolution.

The resolution is commended for your consideration.

By Order of the Board

K. G. INAMDAR
Company Secretary

Regd. Office:

A-5 MIDC Ambad Indl. Area
Bombay Nashik Highway
Nashik-422010.

Place : Mumbai

Dated : 16th April, 2008



Directors' Report to the Members

Dear Members,

Your Directors hereby present the 29th Annual Report and Audited Statements of Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS:

	For the year ended 31.03.2008 (Rs. in lakhs)	For the year ended 31.03.2007 (Rs. in lakhs)
Net Sales & Income from operations	6823.69	6851.66
Other Income	2.13	1.57
	6825.82	6853.23
Profit/(Loss) before Interest & Depreciation	667.32	463.39
Interest	281.37	262.46
Depreciation	39.86	36.38
Net Profit before Tax	346.09	164.55
Provision for FBT (Less)	3.76	4.20
	342.33	160.35

Though the Company has earned net profit, due to accumulated losses, the Directors regret their inability to declare any dividend.

MANAGEMENT DISCUSSION & ANALYSIS:

During the year under review, though the company has shown better performance but it has affected during the year from power cuts/load shedding, irregular raw material supplies & its frequent price changes by primary producers apart from non re-reimbursement of the interest by the customers though agreed to by them.

However, with customer profile coupled with better product – mix and with better price realisation the company could sell & earn more in a most competitive market.

Had the workers achieved the production and productivity as per the terms & norms specified in the agreement(though re-assured for co-operation for increasing production and productivity), the company would have achieved more better operational performance.

EXPANSION:

The Company has plans to go into various activities and add more Extrusion Presses with a view to meet with the growing range of market and products. Accordingly, the Company is expanding its casting facilities, adding certain equipments and has already placed the order for 3rd extrusion press and project is in progress.

OUTLOOK AND OPPORTUNITIES:

The strengths of the Company are varied and sound base of the customers, complete attention for customers' delight and locational advantage whereby the company can have an edge to get better & higher realisation.

The growth in End-User Industries i.e. Automobiles, Electrical Equipments, Architectural, Consumer Goods and Infrastructure is going to give a further boost to the prospects of more opportunities to the company to open up its operating capacities and horizons which are already

coupled with built up goodwill and continued support of reputed & multinational customers.

The ongoing change in global scenario, economic & industrial outlook would keep pace in demand for company's products which would facilitate the Company to streamline the pricing strategy.

Presently the Company is only in one segment i.e. Aluminium Extrusions and its Down Stream Value Added Products.

BIFR SCHEME AND OUT OF PURVIEW:

At Bench review hearing of BIFR held in Mumbai on 22/11/2007, the Syndicate Bank was directed to submit a Draft Modified Revised Scheme by taking into consideration, among other things, the issue of shares on preferential basis to the promoters of the company whereby the company's net worth would become positive by 31/03/2008 based on profit projections for 2007-2008, instead of 2008-2009. Accordingly, the Company had submitted revised DMRS, in consultation with SB which was submitted by Syndicate Bank by the end of March, 2008 to BIFR for its onward consideration. However, eventually, the Company's net worth (exceed the accumulated losses) has become positive from its profits earned in the year ended 31/03/2008 itself and hence it is not required to the company to wait for the Scheme getting sanctioned by BIFR and to operate upon it.

Therefore, the Company is applying to BIFR and shall request the Board to issue an order that our company has ceased to be a Sick Industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (special provisions) Act and no longer requires to be dealt with the Board and hence to close our case.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

Commensurate with the size and nature of the business of the Company, it has adequate Internal Control System. To have more effective control over the accounting systems and over day to day operations of the Company, it has



already appointed internal auditors as also started its own audit department.

DIVERSIFICATION & NEW VALUE ADDED PRODUCTS:

The company is in constant drive to develop extruded sections for sophisticated end uses. The down-stream activity and Truck Body Kits/Bus Body Systems are also staging ahead. The sprinkler irrigation system business is being strengthened.

TOTAL QUALITY MANAGEMENT:

The Company is committed to Total Quality Management and has established a Quality Management Systems in compliance with the International Quality System Standard ISO9001:2000/TS16949:2002 of TUVCERT Certification Body for QM-Systems of RWTUV Systems GmbH.

RISK MANAGEMENT/HEALTH, SAFETY ETC:

As a part of business policy, the Company gives due importance to the risk identification and control in various functional areas. As far as possible the Company takes necessary steps to manage the internal and external factors.

The Company is taking due care and steps in respect of pollution control, safety, health etc.

INDUSTRIAL RELATIONS:

The workmen have given assurance that they will provide all assistance and co-operation to the Company for increasing the production. The agreement signed in conciliation is still in operation.

CONSERVATION OF ENERGY:

Particulars are given in Annexure "A"

TECHNOLOGY ABSORPTION:

Details are given in Annexure "B"

INSURANCE:

All movable and fixed assets (on revalued basis) are adequately insured.

DIRECTORS RESPONSIBILITY STATEMENT:

The Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed.
- appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonably and prudent so as to give a true and fair view of the company as on 31st March, 2008 and of profit of the Company for the year ended 31st March, 2008 and cash flow as on that date.
- proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

A separate report on Corporate Governance along with the Auditors Statement on its compliance is annexed hereto as Annexure-C and forms part of this report.

DIRECTORS:

In terms of the Companies Act, 1956 and the Articles of the Company, Shri C. M. Maniar retires by rotation and, being eligible, offer themselves for reappointment.

The members approvals are being sought for the re-appointment of Shri Shriram C. Chokhani as the Managing Director and Shri Sudarshan S. Chokhani as Joint Managing Director of the Company on the respective terms of appointment set out in the explanatory statement annexed to the Notice of the meeting.

PARTICULARS OF EMPLOYEES:

No employee is falling within the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1968.

STATUTORY AUDITORS:

The retiring Auditors, Lodha & Company, Chartered Accountants, have indicated their willingness to continue in Office and are recommended for reappointment for the ensuing year.

COST AUDIT:

According to the Central Government's directive, the Company has appointed Mr. Narottam L. Tola, Cost Accountant, as Cost Auditor for the audit of the cost accounts maintained by the Company under applicable provisions of the Companies Act, 1956.

ACKNOWLEDGEMENTS:

The Directors record their deep sense of gratitude to its Bankers – Syndicate Bank; Primary Metal Suppliers and other suppliers; Customers; Government Authorities; to such employees who have dedicated themselves to improve the operations of the Company and above all to the esteemed Shareholders.

For and on behalf of the Board

SHRIRAM C. CHOKHANI
(Chairman & Managing Director)

Place : Mumbai

Dated : 16th April, 2008



Directors' Report to the Members

ANNEXURE – A

(A) Measures taken to conserve energy:

- (a) Continuous Power supply through express feeder resulted in achieving saving in diesel consumption.
- (b) Billet Heater and DC casting cooling tower, cooling fan automation circuit developed to start cooling fan as per requirement to save 30% energy on Cooling fan operation.
- (c) DC casting power pack motor HP reduced from 7.5 HP to 5 HP
- (d) Press-II cooling tower fan auto-circuit developed.
- (e) Plant lighting 250 watt MV lamp replaced by 200 watt venture make lamp and reduced lamp quantity also.
- (f) Added capacitors to improve power factor.

(B) Additional Investment Proposed.

- (a) Foundry shop new design tilting furnaces of 6MT and 10MT.
- (b) 5" and 8" Hot-top casting facility.
- (c) Homogenising Furnace conversion from Electrical to LPG.
- (d) Press-I and Press-II stretcher power pack motor HP to reduce.
- (e) Existing billet induction heating furnace conversion from Electrical to LPG
- (f) Press-II main pump motor HP to reduce.

(C) Impact of (A) and (B) Above:

Will reduce maximum demand, electricity consumption, furnace oil consumption and improve the efficiency. Reduce cost and improve recovery and quality.

FORM – A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.

	Current Year 2007-08	Previous Year 2006-07
A. Power and Fuel Consumption		
1. Electricity		
(a) Purchased Units	44,50,919	54,25,679
Total Amount (Rs.)	2,02,44,232	2,53,40,816
Av. Rate/Unit (Rs.)	4.54	4.67
(b) Own Generation		
(i) Through Diesel Generator (Units)	-	-
Unit/Ltrs. of Diesel Oil	-	-
Costs/Units (Rs.)	-	-
(ii) Through Steam Turbine/Gas		
Unit-KWH	15,73,262	7,07,804
unit/Kg. of	0.07	0.07
Cost/Unit(Rs.)	2.61	2.73
2. Coal (Specify quality and where used)	Nil	Nil
Quantity (Tonnes)	-	-
Total Cost	-	-
Average Cost	-	-
3. Furnace Oil		
Quantity (Ltrs.)	9,35,060	8,98,350
Total Amount (Rs.)	1,84,43,733	1,44,54,695
Average Rate (Rs./Ltr.)	19.72	16.09
4. Other (Internal Generation)	Nil	Nil
Quantity	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil
B. Consumption per ton of production		
Electricity (Units)	1,383.18	1,274.25
Furnace Oil (Ltrs.) (for casting)		
Aluminium Billets	140.90	152.29
Alloy	-	-
Coal (Specify Quality)	Nil	Nil
Others (Specify)	Nil	Nil

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ANNEXURE – B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF ABSORPTION OF RESEARCH AND DEVELOPMENT (R&D)

1. Specific area in which R & D carried out by the Company : 600 KW induction Billet heating furnace conversion from Electrical to LPG. Gas fired billet heater, ordered in November, 2007.
2. Benefit derived as a result of R & D :
 - (i) Uniform distribution and fast heating of billet
 - (ii) Savings in Electricity Cost and Maximum Demand cost.
 - (iii) Gas heating is 30% cheaper than electricity.
 - (iv) Easy for maintenance and reduction in production down time.
3. Future plan of action :
 - (i) New design foundry tilting furnace to reduce Furnace oil consumption and time.
 - (ii) Homogenising furnace conversion from electrical to LPG to reduce electrical consumption.
 - (iii) Extrusion Puller to add in Press-I to reduce rejection, to increase output and recovery.
4. Expenditure in R & D :

(a) Capital	Rs. –
(b) Recurring	Rs. 2.24 Lacs
(c) Total	Rs. 2.24 Lacs
(d) Total R & D expenditure as a percentage of turnover 0.03% (Approx.)	

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief made towards absorption, adaptation and innovation. : As 1, 2, & 3 above
2. Benefit derived as a result of the above efforts i.e. Product improvement, Cost reduction, Product development, import substitution etc. : Already achieved partly & balance is in progress.
3. In case of imported technology: (imported during the last 5 years reckoned from the beginning of the financial year) following information to be furnished.
 - (a) Technology imported : No Technology Imported
 - (b) Year of import : –
 - (c) Has technology been fully absorbed : Technical assistance for extrusion Die design, manufacturing and correction, extr. ageing, homogenising etc., maintenance practices recommended by Reynolds, Germany have been put to practice as per the training to Engineers of the Company.
 - (d) If not fully absorbed areas where this has not been taken place, reason therefore and future plans of action.

FOREIGN EXCHANGE EARNINGS & OUTGO:

The Company is exploring the possibility of export of its products.

The required information in respect of foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended 31st March, 2008.

For and on behalf of the Board

SHRIRAM C. CHOKHANI
Chairman & Managing Director

Place : Mumbai
Date : 16th April, 2008



Sudal Industries Limited