

7th

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REPORT

2004 - 2005

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Fax : 91-712-2562091 E-mail : info@sunilhitech.com • www.sunilhitech.com
Regd. Office : Parli Vajjnath, Dist. Beed, Pin : 431515.

SUNIL HI TECH ENGINEERS LIMITED - Parli-Vaijanath

Sunil Hi Tech Engineers Ltd. (**SHEL**) was incorporated in 1998 and is a successor to Sunil Engineering Works. The establishment and growth of the Organization since 1984 is due to the entrepreneur skills and vision of Mr. Ratnakar Gutte who has skilfully nurtured this Organisation since its inception and has established as one of the leading construction companies specialised to undertake Power plant construction work.

Today the company has traveled a long way and has grown manifold in its operations with an annual turnover of around Rs. 69 Crores. It has also acquired sufficient assets by way of construction equipment and human resources to cater to the needs of project related activities and have also diversified into various construction related fields.

Its product profile is well established in the areas of Structures, Rehab and Maintenance, Boiler and Piping erection in Power and Process Industry.

SHEL has earned high accolades for its competence, dedication, quality and timely completion of projects.

The environment at SHEL is to accept challenges and always be at the call of the Customer to serve and satisfy him. Customer satisfaction is the foremost goal of each and every employee. The total commitment to time, quality has earned SHEL as a highly dependable Company.

Philosophy

- ❖ Bring in high levels of project execution skills meeting customer bench marks.
- ❖ Serve customers and satisfy them for timely completion of projects with quality.
- ❖ Introduce and implement quality systems in its operations.
- ❖ Achieve greater productivity and safety standards.
- ❖ Develop human resources and improve employee attitudes.
- ❖ Maintain good growth of net worth and build on the assets of the company.
- ❖ Be a market leader and highly dependable service provider.

SUNIL HI TECH ENGINEERS LIMITED - Parli - Vaijnath

BOARD OF DIRECTORS

1. Mr Ratnakar M. Gutte
2. Mrs. Sudhamati R Gutte
3. Mr. Sunil R Gutte
4. Mr. M N Mohanan
5. Mr. S K Kodandaramaiah.

MANAGEMENT TEAM

Mr. M. T. Devarajan
Mr. B.S. Mundinamani
Mr. Ashok Kr. Shrivastava
Mr. S Ravikumar
Mr. Vijay R. Gutte
Mr. Rdheshyam Rajbanshi Tiwari
Mr. A.V. Dahihandikar
Mr. Mangesh Mangrulkar
Mr Pravin Rokde

AUDITORS

M/S. Vivek G Randad & Co.
Chartered Accountants
H/C.D., Bharat Bazar, Near API Corner,
CIDCO, Aurangabad.

BANKERS

UCO BANK
Mount Road, Sadar,
Nagpur.

REGISTERED OFFICE

Ratnadeep, Jainagar
P.O. Parli – Vaijnath 431520
Dist Beed, Maharastra

CORPORATE OFFICE

97, East High Court Road, Ramdaspath, NAGPUR – 440010.
Tel : 91-712-2562087, 09890164777-78, Fax : 91-712-2562091.
E-mail : info@sunilhitech.com • www.sunilhitech.com

SUNIL HI TECH ENGINEERS LIMITED - Parli - Vaijnath

NOTICE

Notice is here by given that 7th Annual General Meeting of the Members of SUNIL HI TECH ENGINEERS LIMITED will be held at the Registered Office of the Company at Ratnadeep, Jainagar, P.O. Parli – Vaijnath 431520 Dist. Beed Maharastra on Tuesday the 30th August, 2005 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss A/c. for the year ended 31st March, 2005 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To re-appoint M/S Vivek G Randad & Co. as an auditor and fix their remuneration.

SPECIAL BUSINESS

APPOINTMENT OF DIRECTOR

3. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

“RESOLVED that Mr. Sunil R Gutte, who was appointed as an Additional Director by the Board of Directors on 1st June 2005 and who hold office as per section 260 of the companies Act, 1956, up to the conclusion of the Annual General Meeting be and is hereby appointed as a regular director of the Company subject to retirement by Rotation.

RESOLVED FURTHER that the terms of appointment of Mr. Sunil R Gutte shall be governed by mutually agreed terms to be entered between him and the Board of Directors.”

BORROWING POWERS OF THE COMPANY

4. To consider and if thought fit to pass with or without modification the following Resolution as an Special Resolution:

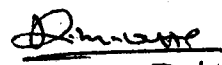
SUNIL HI TECH ENGINEERS LIMITED - Parli - Vaijnath

"RESOLVED THAT pursuant to authority given by the members of the Company under Section 293(1)(a) & 293(1)(d) of the Companies Act, 1956, the Board of Directors be and is hereby authorized to Borrow up to an amount of Rs. 100 Crores including existing loan on such terms and conditions it may deem fit and proper and it can be covered by the Security by way of equitable mortgage by deposit of title deeds."

PLACE : Parli Vaijnath

BY ORDER OF THE BOARD

DATE : 27TH August 2005



MANAGING DIRECTOR

EXPLANATORY STATEMENT AS REQUIRED U/S 173(2) OF THE COMPANIES ACT, 1956.

ITEM 3

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APPOINTMENT OF DIRECTOR

Mr. Sunil R Gutte was appointed as an Additional Director of the company under section 260 of the Companies Act, 1956. The appointment is good up to the conclusion of this Annual General Meeting. As the activities of the company have increased, your director are of opinion that responsibility of Finance should be in the hand of some professional and young and dynamic person. As Mr. Sunil R Gutte is a fit person for the present activities, your directors wish to appoint him as a regular director.

Mr. Ratnakar M Gutte and Mrs. Sudhamati R Gutte are interested in this resolution. Hence they will not take part in this resolution.

SUNIL HI TECH ENGINEERS LIMITED - Parli - Vaijnath**ITEM 4****BORROWING POWER TO DIRECTOR**

As you know that your company is in the Construction and Engineering works, hence it needs Machinery and Working Capital in huge amount to complete contract. And your company grabbed much more contracts than previous years. In the present competitive market company need to acquire more and more machineries and working capital to work smoothly and to complete work cheap. Hence Director of your Company need the borrowing power as such that they can acquire its necessary things when ever it need.

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SUNIL HI TECH ENGINEERS LIMITED - Parli - Vajjnath

DIRECTORS REPORT

It gives me immense pleasure in welcoming you to the 7th Annual General Meeting of your company. Today is another milestone in your company's History. It is the First Annual General Meeting after your company converted in to Public Company. I thank all shareholders for this vote of confidence in the future of your Company. I also thank all our loyal customers for the confidence that they have reposed in us. The audited Statements of Accounts for the year ended 31st March 2005 together with the Director's Report and Auditor's Report, Management Discussion and Analysis already have been circulated to you.

Statement of affairs

Our relentless endeavors achieved the best ever business results since incorporation as company in the year 1998. That meant the Company recorded its higher ever Turnover of Rs.688.39 million. The performance not only consolidated your company's position as one of the best company in its field but also helped mark a steady edge over competition in a price sensitive environment.

The Company's Profit Before Tax jumped by 160% and touched Rs.38.58 million. Profit After Tax was Rs.23.83 million against Rs.9.54 million that is a jumped of 150% from previous year. Profit of the company increases which increases the value of Net Worth of the Company which stood at Rs.119.92 million. New policy of the Government, Credit facility, Our Capital Structure with strong cash reserves and sound Net Worth provide a robust base for our future growth.

Authorise Capital of your Company increases on 3rd January, 2005 from Rs. 175 to lakhs to Rs. 500 lakhs , on 1st March, 2005 authorised capital increases from Rs.500 lacs to Rs700 lacs and 27th August 2005 Authorised Capital increases from Rs.700 lacs to Rs1200 lacs, Equity shares of Rs 10/- each. Taking into consideration the rapid development made by the company and its ever increase in fund requirements the company has planned to tap the Capital Market by offering equity shares to the Public.

On 18th August, 2005 Company converted in to Public Company.

SUNIL HI TECH ENGINEERS LIMITED - Parli - Vaijnath

DIVIDEND

The business to which your company belongs is growing rapidly and your company foresees an opportunity for expanding its activities. Your directors wish to retain funds for expansion activities and hence directors do not recommend any dividend.

AUDITORS

Auditors of the company M/s Vivek G Randad & Co., Chartered Accountants, retire on the conclusion of ensuing Annual General Meeting and being eligible offer themselves for the re- appointment.

DIRECTORS

During the current year, Mr. Sunil R Gutte was appointed as an additional director at a Board Meeting held on 1st June 2005. This appointment is required to be regularized in this Annual General Meeting.

STRATEGIC INITIATIVE

Your Company took several strategic decisions to initiate improvement in service quality and other aspect of functioning with a view to lowering of operational cost.

HUMAN RESOURCE MANAGEMENT

As your company is working in various projects and day by day we are getting more and more projects. Hence to handle the projects skillfully we need man power in large quantity and efficient persons. We have to appoint more and more persons. And to work efficiently we have to train them.

Your company organized several program of the HR trainer for them in the current year. Also it is a plan that such type of program will be arranged in future more and more.

CORPORATE GOVERNANCE

Your company believes in the highest degree of corporate practices exercised by adopting best standards of transparency, accountability, professionalism, social responsiveness and ethical business practices with improved focus on customer satisfaction to maintain itself as a value driven organization.

SUNIL HI TECH ENGINEERS LIMITED - Parli - Vaijnath

SUBSIDIARY COMPANY

SUNIL HI TECH ENGINEERS AND MANUFACTURER PVT. LTD.

Sunil Hi Tech Engineers & Manufacturers Pvt. Ltd. is a wholly owned subsidiary of your company newly incorporated in MIDC, Butibori, established in May 2005, as to manufacture parts need for Boiler Unit. This company will help to reduce the cost of project, thus increasing the total profitability of the Company. The Preliminary work for erection of Factory Building and other Civil Work is going on in full swing. Your Directors anticipate to complete the work by end of this year.

PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE INFLOW AND OUTFLOW AND PARTICULARS OF EMPLOYEES.

The relevant particulars required under section 217(1) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 have been complied. The company did not have any foreign exchange earnings and outgo.

Particulars of Employees information in accordance with the provisions of Section 217 (1A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended regarding employees is not given as the company has no such employee.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement u/s 217 (2AA) of the companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- A In the preparation of Annual Accounts for the financial year ended 31st March, 2005 the applicable Accounting Standards have been followed.