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**VULCAN
ENGINEERS
LTD**

TERRUZZI FERCALX GROUP



*46th Annual Report
2009-2010*

BOARD OF DIRECTORS

- | | |
|---|---------------------------------|
| • Mr. Astorre Terruzzi, Chairman Emeritus | – Promoter, Non-Executive |
| • Dr. Daniele Terruzzi, Chairman | – Promoter, Non-Executive |
| • Ms. Paola Terruzzi, Vice Chairperson | – Promoter, Non-Executive |
| • Mr. Davide Nassuato | – Executive (Managing Director) |
| • Mr. Massimo Ferracci | – Independent, Non Executive |
| • Mr. Claudio Del Biamco | – Independent, Non Executive |
| • Mr. Nicola Obert | – Independent, Non Executive |
| • Mr. Massimiliano Altabella | – Independent, Non Executive |

REGISTERED OFFICE

326, Unique Industrial Estate,
Off Veer Savarkar Marg,
Prabhadevi,
Mumbai - 400 025.

HEADQUARTERS

T-182, MIDC Industrial Area,
Bhosari, Pune-Nasik Highway,
Pune - 411 026.

WORKS

Plot No. B-21,
MIDC Industrial Area,
Ahmednagar - 414 111,
Maharashtra.

STATUTORY AUDITORS & TAX CONSULTANTS

- **Suresh Surana & Associates**
Chartered Accountants
13th Floor, Bakhtawar,
229, Nariman Point,
Mumbai - 400 021.

REGISTRAR & SHARE TRANSFER AGENTS

- **Link Intime India Private Limited**
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078.

NOTICE

Notice is hereby given that the Forty Sixth Annual General Meeting of Vulcan Engineers Limited will be held on Tuesday, 28th September, 2010 at 11.30 a.m. at "Sunville" Executive Room, 9, Dr. Annie Besant Road, Worli, Mumbai 400 018, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010, the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Mr. Astorre Terruzzi, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 16th February, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Astorre Terruzzi for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Dr. Daniele Maria Terruzzi, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 16th February, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Dr. Daniele Maria Terruzzi for the office of the Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Ms. Paola Francesca Terruzzi, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 16th February, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers herself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Ms Paola Francesca Terruzzi for the office of the Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Mr. Davide Nassuato, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 16th February, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Davide Nassuato for the office of the Director of the Company, be and is hereby appointed as Director of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Mr. Massimo Ferracci, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 16th February, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Massimo Ferracci for the office of the Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Mr. Claudio Del Bianco, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 16th February, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Claudio Del Bianco for the office of the Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Mr. Nicola Obert, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 28th May, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Nicola Obert for the office of the Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Mr. Massimiliano Altabella, who pursuant to Article 85, of the Articles of Association of the Company was appointed as an Additional Director of the Company on 30th July, 2010 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Massimiliano Altabella for the office of the Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

11. To consider and if thought fit, to pass with or without modification, the following resolution as a Ordinary Resolution:

"RESOLVED THAT subject to the provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company do hereby approve the appointment of Mr. Davide Nassuato as Managing Director of the Company subject to the approval of the shareholders of the Company and the Central Government for a period of 3 years with effect from 1st April, 2010, without remuneration and on terms and conditions as set out in the draft letter submitted to this meeting and initialed for the purpose of identification by the Chairman."

"FURTHER RESOLVED THAT Dr. Daniele Maria Terruzzi or Ms. Paola Francesca Terruzzi, Directors be and are hereby authorised to execute the aforesaid letter for the appointment of Mr. Davide Nassuato on behalf of the Company."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution."

By Order of the Board

Dr. Daniele M. Terruzzi
Chairman

Mumbai, Dated 30th July, 2010

Registered Office:
326, Unique Industrial Estate,
Off Veer Savarkar Marg,
Prabhadevi,
Mumbai - 400 025.

NOTES

1. **Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member. The instrument of proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2010 to 28th September, 2010 (both days inclusive).
3. Link Intime India Private Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 are the Registrars and Share Transfer Agents of the Company to handle share transfers, both in physical and electronic segments and other share related matters. Shareholders are requested to correspond with the Registrars at the above address.
4. Shareholders are requested to promptly notify any change in their addresses.
5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto. Brief profile of the Directors proposed to be reappointed / appointed are enclosed.
6. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, all unclaimed dividends up to the financial year ended 31st March, 1994 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants up to the said period are requested to claim the amount from the Registrar of Companies, Maharashtra. Pursuant to introduction of Section 205C by the Companies (Amendment) Act, 2000, the amount of dividend unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Accordingly, dividends for the financial years ended 31st March, 1995, 31st March, 1996 and 31st March, 1997 which remained unclaimed for 7 years from the date of declaration have been transferred to IEPF. Therefore, no claim shall lie against the Company or the Investor Education and Protection Fund after transfer of the dividends to IEPF.
7. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
10. Members who hold shares in physical form in multiple folio in identical names are requested to send the share certificates to Link Intime India Pvt. Ltd. immediately to enable consolidation of their holding into one folio.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The following explanatory statements sets out all material facts relating to the Special Business mentioned in the accompanying notice:

Item No. 3

Mr. Astorre Terruzzi was appointed as Additional Director with effect from February 16, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr. Astorre Terruzzi would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Mr. Astorre Terruzzi to the office of a Director of the Company. Mr. Astorre Terruzzi has consented to continue as Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Mr. Astorre Terruzzi as a Director and hence recommend his appointment.

Mr. Astorre Terruzzi does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 3 of the Notice.

Mr. Astorre Terruzzi, Dr. Daniele Maria Terruzzi and Ms Paola Francesca Terruzzi are interested in the Resolution at Item No. 3 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 4

Dr. Daniele Maria Terruzzi was appointed as Additional Director with effect from February 16, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Dr. Daniele Maria Terruzzi would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Dr. Daniele Maria Terruzzi to the office of a Director of the Company. Dr. Daniele Maria Terruzzi has consented to continue as a Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Dr. Daniele Maria Terruzzi as a Director and hence recommend his appointment.

Dr. Daniele Maria Terruzzi does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 4 of the Notice.

Dr. Daniele Maria Terruzzi, Mr. Astorre Terruzzi and Ms. Paola Francesca Terruzzi are interested in the Resolution at Item No. 4 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 5

Ms. Paola Francesca Terruzzi was appointed as Additional Director with effect from February 16, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Ms. Paola Francesca Terruzzi would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Ms Paola Francesca Terruzzi to the office of a Director of the Company. Ms. Paola Francesca Terruzzi has consented to continue as Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Ms. Paola Francesca Terruzzi as a Director and hence recommend her appointment.

Ms. Paola Francesca Terruzzi does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 5 of the Notice.

Ms. Paola Francesca Terruzzi, Mr. Astorre Terruzzi and Dr. Daniele Maria Terruzzi are interested in the Resolution at Item No. 5 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 6

Mr. Davide Nassuato was appointed as Additional Director with effect from February 16, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr. Davide Nassuato would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Mr. Davide Nassuato to the office of a Director of the Company. Mr. Davide Nassuato has consented to continue as a Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Mr. Davide Nassuato as a Director and hence recommend his appointment.

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Mr. Davide Nassuato does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 6 of the Notice.

Mr. Davide Nassuato is interested in the Resolution at Item No. 6 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 7

Mr. Massimo Ferracci was appointed as Additional Director with effect from February 16, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr. Massimo Ferracci would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Mr. Massimo Ferracci to the office of a Director of the Company. Mr. Massimo Ferracci has consented to continue as a Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Mr. Massimo Ferracci as a Director and hence recommend his appointment.

Mr. Massimo Ferracci does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No.7 of the Notice.

Mr. Massimo Ferracci is interested in the Resolution at Item No. 7 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 8

Mr. Claudio Del Bianco was appointed as Additional Director with effect from February 16, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr. Claudio Del Bianco would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Mr. Claudio Del Bianco to the office of a Director of the Company. Mr. Claudio Del Bianco has consented to continue as a Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Mr. Claudio Del Bianco as a Director and hence recommend his appointment.

Mr. Claudio Del Bianco does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 8 of the Notice.

Mr. Claudio Del Bianco is interested in the Resolution at Item No. 8 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 9

Mr. Nicola Obert was appointed as Additional Director with effect from May 28, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr. Nicola Obert would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Mr. Nicola Obert to the office of a Director of the Company. Mr. Nicola Obert has consented to continue as a Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Mr. Nicola Obert as a Director and hence recommend his appointment.

Mr. Nicola Obert does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 9 of the Notice.

Mr. Nicola Obert is interested in the Resolution at Item No. 9 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 10

Mr. Massimiliano Altabella, was appointed as Additional Director with effect from July 30, 2010. Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr. Massimiliano Altabella would hold office as a Director only up to the date of this 46th Annual General Meeting.

The Company has received a notice alongwith deposit of Rs. 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Mr. Massimiliano Altabella to the office of a Director of the Company. Mr. Massimiliano Altabella has consented to continue as a Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Mr. Massimiliano Altabella as a Director and hence recommend his appointment.

Mr. Massimiliano Altabella does not hold any shares in Vulcan Engineers Limited.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 10 of the Notice.

Mr. Massimiliano Altabella is interested in the Resolution at Item No. 10 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 11

The Board of Directors appointed Mr. Davide Nassuato at their meeting held on March 11, 2010 as Managing Director, for a period of 3 years with effect from 1st April, 2010 without remuneration subject to the approval of shareholders and the Central Government under provisions of Section 269 read with schedule XIII of the Companies Act, 1956.

As per Sections 198, 269 and 309 and other applicable provisions of the Companies Act, 1956 including Schedule XIII to the said Act, members' approval by way of Ordinary Resolution is required.

The Board of Directors recommends passing of the Ordinary Resolutions at Item No. 11 of the Notice.

Following are the required information regarding the appointee under Schedule XIII to the Companies Act, 1956.

I. General Information

| Sr. No. | Particulars | General Information |
|---------|--|---|
| 1. | Nature of Industry | <p>The Company is mainly engaged in the business of reheat and heat treatment furnaces and lime plants for the steel industry. The Company is also authorised by its memorandum to have the business of manufacturers and dealers in all kinds of electrical, mechanical, metallurgical, chemical, electronic and construction and all other types of machinery particularly to engage in and carry out the business of planning, design, manufacturing, constructing and erecting all types of equipments, material handling plants for all types of industry and to act as Consultants and Advisors in the matter aforesaid.</p> <p>The Company had its manufacturing facility at Plot No. B-21, MIDC Industrial Area, Ahmednagar 414 111, Maharashtra, comprising of a mild steel and stainless steel fabrication shop, machine building assembly shop and an alloy cast iron foundry. However, since 1996 due to industrial recession the Company did not have sufficient orders to run the factory. In 1998, the manufacturing activities were suspended. The Company continues to be in the business of design, engineering, supply, construction and erection of industrial plants (mainly reheat and heat treatment furnaces and lime calcinations plants). The manufacturing facility was for part of its captive requirements which is now being subcontracted.</p> |
| 2. | Date or expected date of Commencement of commercial Production | Not applicable |
| 3. | In the case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus. | Not applicable |
| 4. | Financial Performance | Profit for the year 2009-10 : Rs. 2,93,43,737/- |
| 5. | Export Sales & net foreign exchange earnings. | Rs. 2,29,00,222/- |
| 6. | Foreign Investments or Collaborations, if any | The Company has no foreign investments. However, Terruzzi Fercalx SpA, a Company incorporated outside India hold 66.91% of its share capital. |

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II. Information about the appointee, Mr. Davide Nassuato

| Sr. No. | Mr. Davide Nassuato's details | Information |
|---------|--|---|
| 1. | Qualification | Graduate in Nuclear Engineering. |
| | Age | 40 years. |
| | Experience | 12 years working experience and has acquired technical knowledge in the field of automation and control. |
| 2. | Past Remuneration | Rs. 4,817,200/- p.a. |
| 3. | Recognition or Rewards | No external recognition or rewards. |
| 4. | Job Profile & Suitability | The management of the day to day operations of the Company which is project based technological Company, under the supervision and control of the Board. Mr. Davide Nassuato has both the technical and managerial skills and experience for this job. Moreover, he has been closely associated as part of the Terruzzi Fercalx SpA team in the development and project management of two large contracts for supply of Lime Kilns for public sector projects in India. |
| 5. | Remuneration Proposed | Nil. |
| 6. | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.e.f. the country of his origin) | From Rs. 5,000,000/-p.a. to Rs. 7,000,000/- p.a. |
| 7. | Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any. | There is no pecuniary relationship with the Company. |

III. Other Information

| Sr. No. | Other Information | |
|---------|--|--|
| 1. | Reasons for loss or inadequate profits. | Due to the industrial recession in 1996 especially in the capital goods sector, the Company did not have sufficient orders. The customers were also faced with the recession and were unable to pay. |
| | Steps taken or proposed to be taken. | The Company downsized its operations, suspended its manufacturing activities and reduced its overheads drastically. The Management of the Company has been taken over by Terruzzi Fercalx SpA who are global leaders in Lime Plants. Besides they have also invested in the paid up capital of the Company and have access to greater financial resources which is required for the company to grow. |
| 2. | Expected increase in productivity and profits in measurable terms. | As the Company's business is project based, it is not possible to predict increase in productivity and profits for the future years in measurable terms. |

Mr. Davide Nassuato has been appointed on the following terms :

Remuneration : No remuneration

Period : 3 years commencing from 1.4.2010 to 31.3.2013.

General Terms :

Mr. Davide Nassuato will be a member of the Board of Directors but shall not be liable to retire by rotation.

Subject to the superintendence, control and direction of the Board, provisions of Section 292 and 293 of the Companies Act, 1956, and the Articles of Association of the Company, Mr. Davide Nassuato will be overall in charge of the business, administration and other affairs except sales and marketing and business development of the Company.

Either of the parties hereto shall be entitled to terminate this agreement at any time without giving any reason therefore by giving 6 months advance notice in writing to the other.

Notwithstanding anything contained herein, Mr. Davide Nassuato shall cease to hold his office of Managing Director, if he ceases to hold his office as Director of the Company for any reason whatsoever under any of the provisions of the Companies Act, 1956.

The above may also be treated as an abstract of the terms of the contract / agreement between the Company and Mr. Davide Nassuato, pursuant to Section 302 of the Companies Act, 1956.

Mr. Davide Nassuato is a non resident hence his appointment does not satisfy the provisions of clause (e) of Part I of Schedule XIII and his appointment is subject to Central Government approval.

ADDITIONAL INFORMATION

Pursuant to clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd., following information is furnished in respect of Directors proposed to be appointed.

Mr. Astorre Terruzzi

Mr. Astorre Terruzzi is 77 years old and has a degree in Electrical Engineering.

After graduating, he worked in the family owned Company, particularly with plants connected with heaters and pressure equipments and collaboration with other companies in the field of lime and allied plants.

In 1977 he incorporated a Company for carrying on the business of manufacturing of Industrial Lime Kilns, that today is known as Terruzzi Fercalx SpA, Milan, Italy, an engineering and fabrication company for industrial plants having its proprietary process technologies and is the President of the Board of Directors of Terruzzi Fercalx SpA, Italy.

Other Directorships and Membership of Committees

President of Terruzzi Fercalx SpA

President of TF Costruzioni Meccaniche S.R.L.

Membership of Committee : Nil

Dr. Daniele Maria Terruzzi

Dr. Daniele Maria Terruzzi is 49 years old and has a University degree in law before commencing work with the family company.

During that time he gained valuable experience and knowledge in the business of manufacturing of Lime Plants and Autoclaves and also travelled around the world promoting the company and leading and conducting several difficult and sensitive negotiations.

From 1990 onwards he has contributed significantly in the managing of the company, especially all the commercial activities.

Other Directorships and Membership of Committees

Managing Director of :

Terruzzi Fercalx SpA

TF Costruzioni Meccaniche S.R.L.

Director of :

Terruzzi Fercalx Engineering Pvt. Ltd.

Membership of Committee : Nil

Ms. Paola Francesca Terruzzi

Ms. Paola Francesca Terruzzi is 39 years old and has a Masters Degree in Corporate Finance. After graduating she started working with the family company.

At present she is the Managing Director of M/s Terruzzi Fercalx SpA, Italy and is in charge of the financial affairs of the Company.

Other Directorships and Membership of Committees

Managing Director of :

Terruzzi Fercalx SpA

TF Costruzioni Meccaniche S.R.L.