

## Annexure to the Directors' Report

### I. Directors' Responsibility Statement

*Information as required under Section 217(2AA) of the Companies Act, 1956*

The Directors hereby state that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. 31st March 2003 and of the Profit and loss of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis.

### II. Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo

*Section 217 (1)(e) of the Companies Act, 1956 Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988*

#### a. Conservation of Energy:

Energy conservation measures taken

The operation of your Company is not energy-intensive and your Company is not under the list of industries which should furnish information in Form A (rule 2). However, the Company has taken the following adequate measures to conserve energy:

- ✓ Solar street lighting in the factory premises
- ✓ Microprocessor based AC units which are power savers
- ✓ Employees are habituated to switching of fans/lights during lunch break and at end of office hours
- ✓ Localised lighting in place of community lighting

#### b. Technology absorption:

Efforts made in Technology absorption is stated as per Form B and annexed herewith.

#### c. Foreign exchange earnings and outgo:

- a. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The Company is focusing to achieve viable export volumes in DMPs in at least 2 major countries.

- b. Total foreign exchange earned (FOB):Rs. 163 Million  
Total foreign exchange used (CIF):Rs. 542 Million

#### Form B (Rule 2)

#### 1. Research and Development (R & D):

- (i) Specific Areas in which R & D activity is carried out by the Company:

- ✓ Dot Matrix Printhead Design and Development
  - ✓ Mechanical part Design and Development using 3 D modeling (High end packages like Pro Engineer , IDEAS etc to reduce product design cycle time)
  - ✓ API development for Laser Printers
  - ✓ Foreign language implementation for export market
  - ✓ Reliability modelling for Dot Matrix Printer
  - ✓ Hardware and Firmware Design and Development (Micro-controller based Hardware design, PCB designing, SMPS, UPS etc)
  - ✓ ASIC (Application Specific Integrated Circuit) Design.
  - ✓ Device Driver Development for Windows / Linux applications for DMPs, LASER printers
  - ✓ Power Electronics Design and Development
  - ✓ Development of technology for 500VA micro-controller based Line-interactive UPS
  - ✓ Development of 60W switch-mode power supply for DMP
  - ✓ Development of UPS monitoring software
- (ii) Benefits derived as a result of the above R & D
    - ✓ Local Language printing solutions
    - ✓ CE certified printers for export market