

## DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report along with Audited Accounts of the Company for the year ended August 31,2008.

### 1. FINANCIAL RESULTS

<b>Particulars</b>	<b>31.8.2008</b>	<b>31.8.2007</b>
i. Income from Operations	3866450	3866450
ii. Gross Profit/ (Loss)	680535	680535
iii. Financial Charges	128593	128593
iv. Depreciation	505595	505595
v. Net Profit/(Loss)	174940	174940

### 2. OPERATIONS

During the period under review the total income was Rs 3386450/- generated from other sources. After providing for expenditure Rs.3185916/- & depreciation Rs. 505595/- the Company has incurred net Profit of Rs.13073/-.

### 3. FUTURE PROSPECTS

The company has during the year continued its further development and marketing on its various products and the company hopes to progress during the coming years.

### 4. FIXED DEPOSITS

The Company has not accepted any deposit under section 58 A of the Companies Act. 1956.

### 5. INDUSTRIAL RELATIONS

The employee-employer relations remained cordial throughout the year.

### 6. DIRECTORS

(a) In accordance with the article of association of the Company at the forthcoming Annual General Meeting of the company Ms. Sunaina Chibba retires by rotation and being eligible offers herself for reappointment.

(b) All the Director of the company are member of the Audit committee of the Board of the company

### 7. RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the companies Act 1956, your Directors confirm that in the preparation of the Annual accounts :-

- i) the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) such accounting policies have been selected and applied consistently and reasonable and prudent judgements and estimates made , so as to give a true and fair view of the state of affairs of the company at the end of Financial Year and the Profit/Loss of the Company for that period.
- iii) Proper and sufficient care has been taken 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 frauds and other irregularities.
- iv) The annual accounts have been prepared as a going concern basis.

### 8. LISTING

The shares of the company are listed at Kanpur, New Delhi and Mumbai Stock Exchange . The Company has paid Listing fee to the stock exchanges till 2006-07. However as per resolution passed at 19<sup>th</sup> AGM held on 28<sup>th</sup> February 2005 , delisting from UP stock exchange and Delhi

Stock exchange is in under process and Share from Bombay Stock Exchange is suspended due to Demat process and the revocation of suspension is in due process.

**9. AUDITORS**

M/s Haribhushan & Associates, Chartered Accountant, Auditors of the Company hold office until conclusion of the forthcoming annual General Meeting and are willing to be reappointed.

**10. AUDITORS REPORT**

The observation made by the auditors in their report are explained in the respective notes to be accounts which are self-explanatory and do not call for further explanation.

**11. PERSONNEL**

Your Directors also place on record their appreciation of the all round co-operation & contributions made by the employees at all levels. The statement of Employees u/s 217 (2A) of the Companies Act, 1956 is not annexed since none of the employees falls in this category.

**12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as per section 217(1)(e) read with companies ( disclosure of particular in the Report of Board of Directors ) Rules ,1988 in not being given since the company has suspended its manufacturing activities.

Particulars relating to Technology absorption is nil. Information relating to foreign exchange earnings or outgo during the year under review is provided in additional information.

**13. SECRETARIAL COMPLIANCE CERTIFICATE**

A copy of the compliance certificate obtained from a company secretary in practice , as required under section 383 A of the Companies Act 1956, is attached with this report.

**14. ACKNOWLEDGEMENTS**

Your directors also thank & acknowledge the co-operation, assistance and support extended by the Central Government, the State Government, the financial institutions, the Company's Bankers, the Shareholders and Staff of the Company.

**For and on behalf of Board of Director**

**Sd/  
Dr. Vishwanath  
Director**

**Sd/  
Naresh K Chibba  
Managing Director**

**Place: Noida**

Date : 8<sup>th</sup> January 2009