

ANUP MALLEABLES LIMITEDDIRECTORS' REPORT

Your Directors have pleasure in presenting their Annual Report together with the audited accounts of your company for the year ended 31st March, 2008.

FINANCIAL RESULTS

	Year Ended <u>31.03.2008</u>	Year Ended <u>31.03.2007</u>
Profit/(Loss) before Taxation	(907,074)	183,446
Provision for Taxation	-	7,000
Provision for FBT	37,230	42,595
Deferred Tax Assets Liabilities	(851,644)	939,303
Short Provision for FBT	-	9,564
Profit/(Loss) after Taxation	(92,660)	(815,016)
Balance brought forwarded from last year	4,567,272	5,382,288
Balance of Profit carried to Balance Sheet	4,474,612	4,567,272

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) that in the preparation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 and of the Loss of the company for the year under review;
- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the directors had prepared the accounts for the financial year ended 31st March, 2008 on a 'going concern basis'

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AUDITORS

Messrs Ashok Kedia & Company, Chartered Accountants, statutory auditors of the company retire at the forthcoming Annual General Meeting and are eligible after themselves for re-appointment.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The company has done efforts for rationalisation of energy consumption. No technology being absorbed during the year under review.

There is no other information under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 to be furnished.

PARTICULARS OF EMPLOYEES

None of the Employees of the company were in receipt of remuneration on aggregating Rs. 2,00,000/- or more per month or Rs. 24,00,000/- or more per annum whether employed for full year or part of the year.

PERSONNEL

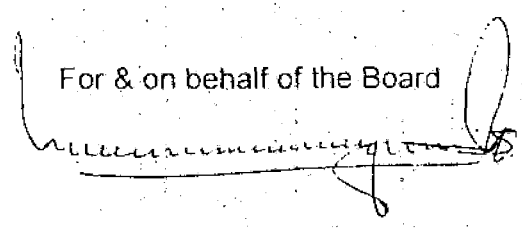
Your Directors would take to place on record their deep appreciation for the contribution made by the employees at all levels for the smooth operation of the company during the year.

FOREIGN EXCHANGE EARNING AND OUTGO

- | | |
|-----------------------------|-----|
| a) Foreign Exchange Earning | NIL |
| b) Foreign Exchange Outgo | NIL |

Regd. Office :
8, Waterloo Street,
Kolkata - 700 069
Dated the 4th day of September, 2008.

For & on behalf of the Board



ASHOK KEDIA & COMPANY
Chartered Accountants

AUDITORS' REPORT

To The Members of M/s Anup Malleables Limited

We have audited the attached Balance Sheet of M/s Anup Malleables Limited, as at 31st March, 2008 and also the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

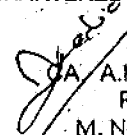
Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Notes to the account in Schedule No. 18 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008; and
 - (b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.
 - (c) In the case of Cash Flow Statement of the Cash flow's of the company for the year ended on that date.

4, Gangadhar Babu Lane,
Kolkata - 700 012-

Dated the 4th day of September, 2008.

For ASHOK KEDIA & COMPANY,
CHARTERED ACCOUNTANTS,


A.K. KEDIA
PARTNER
M. No. 050510

ASHOK KEDIA & COMPANY
Chartered Accountants

Annexure

Referred to in paragraph 3 of our report of even date.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has disposed off a part of fixed assets. According to the information and explanations given to us, we are of the opinion that the sale of the said part of fixed assets has not affected the going concern status of the company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) (a) The Company has not given any loans during the year, sub-clause (b), (c) and (d) are not applicable.
- (e) The company had taken loan from four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 11,064,000/- and the year-ended balance of loans taken from such parties was Rs. 4,736,054/-.
- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (g) Loans taken by the company is repayable on demand.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 195 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposit from public hence the provisions of section 58A and 58AA of the Companies Act, 1956 are not applicable.

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ASHOK KEDIA & COMPANY
Chartered Accountants

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- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the company.
- (ix) (a) The company is generally regular in depositing the appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, wealth tax, custom duty, cess and other material statutory dues applicable to it, except service Tax and Central Sales Tax, arrear outstanding for more than six month as on 31.03.2008 as follows:
 - i) Service Tax Rs. 3,669,964/-
- (b) According to the information and explanations given to us, there are dues outstanding in respect of Income Tax, wealth tax, sales tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute except JST amounting to Rs. 863,805/- for financial year 1993-94 and 1994-95 under appeal before DCCT.
- (x) The company does not have accumulated losses. The company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) We are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2004 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2004 are not applicable to the company.
- (xv) In our opinion, the term and conditions on which the company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information given to us and on and over all examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, 1956.
- (xix) According to the information and explanations given to us, the company has not issued any secured debentures during the period covered by our report. Accordingly provisions of Clause 4(xix) of the Companies (Auditors Report) Order 2004 are not applicable to the company.
- (xx) During the period covered by our audit report, the company has not raised any money by public issues.

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Chartered Accountants

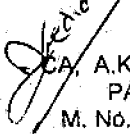
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- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

4, Gangadhar Babu Lane,
Kolkata - 700 012.

Dated the 4th day of September, 2008.

For ASHOK KEDIA & COMPANY,
CHARTERED ACCOUNTANTS,


CA, A.K. KEDIA
PARTNER
M. No. 050510

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