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18TH
ANNUAL REPORT
2007 - 2008

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Cubical Financial Services Limited

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BOARD OF DIRECTORS

Shri Ashwani K. Gupta	*Managing Director*
Shri Mohinder Sain Gupta	*Director*
Shri N.S.R. Prasad Raju	*Director*
Shri Sunil Kumar	*Director*

AUDITORS

M/s Faruqui & Company
Chartered Accountants
211, Delhi Chambers,
Delhi Gate, Delhi-110 002

BANKERS

Canara Bank
Sector-9, Rohini, Delhi-110085

ICICI Bank Ltd.
RP-1, Pitam Pura,
Delhi-110034

REGISTERED OFFICE

902, Aggarwal Millennium Tower,
Netaji Subhash Place,
Pitampura, Delhi-110 034

REGISTRAR & SHARE TRANSFER AGENTS

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Center,
New Delhi-110 062

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NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Members of Company will be held on Friday the 26th September, 2008 at 10.00 A.M. at Multipurpose Community Centre, Kherakhurd, Alipur Block, Delhi-110082 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet as on 31st March, 2008, Profit & Loss Account for the period ended 31st March, 2008 together with reports of Directors and Statutory Auditors thereon.
2. To appoint a Director in place of Sh. Sunil Kumar, who retires by rotation, being eligible offers himself for the re-appointment.
3. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

By Order of the Board
for **CUBICAL FINANCIAL SERVICES LIMITED**
Sd/-
(Ashwani K. Gupta)
Managing Director

Place : Delhi
Date : 01.09.2008

NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The Proxies in order to be effective must received by the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and share Transfer of the Company will remain closed from Friday 19th September, 2008 to Friday 26th September, 2008 (both days inclusive).
3. The Company's shares have been notified for compulsory dematerialization w.e.f. June 22, 2002. Accordingly trading of shares of the company will be allowed only in de-mat form.
4. Member are requested to notify immediately any change of address to their Depository Participants (DP's) in respect of their electronic share account and the Company's Registrar & Share Transfer Agents & to the Company at its Registered Office in respect of their physical share folios, if any.
5. Members are requested to produce at the entrance the enclosed attendance slip duly completed and signed for admission to meeting place.
6. Members, who holdshares in de-materialised form are requested to bring their client I.D. & DP I.D. Nos. for easier indentitification of attendence at the meeting.
7. Members are requested to bring their copies of the Annual Report to the meeting.
8. Company's equity shares are listed on the following Stock Exchanges:
   a) The Delhi Stock Exchange Association Limited,
      DSE House, 3/1, Asaf Ali Road, New Delhi-110 002
   b) The Stock Exchange, Mumbai,
      Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
9. No Gift/Gifts Coupon shall be provided to the members.

By Order of the Board
for **CUBICAL FINANCIAL SERVICES LIMITED**
Sd/-
(Ashwani K. Gupta)
Managing Director

Place : Delhi
Date : 01.09.2008

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DIRECTOR'S REPORT

To the Members,

Your Directors are pleased to present the 18th Annual Report and the Audited Accounts for the year ended March 31, 2008.

FINANCIAL RESULTS *(Rs. in lakhs)*

PARTICULARS	*For the year ended 31.03.2008*	*For the year ended 31.03.2007*
Total Income	-6.24	16.97
Total Expenditure	15.77	14.84
Depreciation/Provisions	0.93	1.07
Profit/(Loss) before Tax	-22.94	1.06
Provisions for Taxation	-0.21	1.04
Provisions for Fringe Benefit Tax	-0.08	0.15
Deferred Tax Assets	0.56	(0.03)
Profit/(Loss) after Tax	(22.68)	(0.10)
Paid up Equity Capital	303.40	303.40

During the year under review your company has suffered a loss of Rs.22.68 lacs as compared to loss of Rs. 0.10 lacs of the previous year. No dividend is being recommended for the financial year ended March 31, 2008 because of the loss suffered by the Company.

Your Company has been taking necessary steps to appoint the whole time Company Secretary in terms of the provisions of section 383A of the Companies Act, 1956 since last several years by publishing advertisement in the Newspapers and other sources. During that period, few candidates came for interview, but the same could not be finalised as the Company is only dealing in secondary market and having a low turnover and financially weak. However, your Company is complying with all the statutory requirements with the assistance of whole time Company Secretary in Practice.

DIRECTORS RESPONSIBILITY STATEMENT

Yours Directors hereby confirm that:

i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with explanation relating to material departures;

ii) the Directors have selected such Accounting policies and applied them consistently and made judgments 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 and of the loss of the Company for that period;

iii) the Directors have 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 frauds and other irregularities and

iv) that the Annual Accounts have been prepared on a going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Acts, 1956 and the Article of your Company Sh. Sunil Kumar, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment on the Board of your Company.

CORPORATE GOVERNANCE

Corporate Governance report as well as Corporate Governance Compliance Certificate are provided as per separate Annexures to the report.

AUDITOR'S REPORT

The Auditor's reports are self-explanatory and do not require any comments from the Board of Directors.

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AUDITORS

M/s. Faruqui & Company, Chartered Accountants, Delhi Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are being eligible offer themselves for re-appointment. A certificate under section 224(1B) of the Companies Act, 1956 has been obtained from them. Your Directors recommend their re-appointment.

PARTICULARS OF EMPLOYEES

During the year under review no employee whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. Hence information required under section 217 (2A) of the Companies Act, 1956 is not given.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars as required under section 217 (1) (e) of the Companies Act, 1956 in respect of the conservation of energy and technology absorption have not been furnished considering the nature of business undertaken by the Company during the year under report.

FOREIGN EXCHANGE EARNING AND OUTGO

There was no foreign exchange earning & outgo during the financial year under review.

STOCK EXCHANGE LISTING

The shares of your Company are listed at Delhi and Mumbai Stock Exchanges, pursuant to clause 38 of the Listing Agreement, listing fees has been paid for the financial year 2008-2009 to the Stock Exchanges.

FIXED DEPOSITS

The Company has not accepted any fixed deposits within the meaning of section 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

ACKNOWLEDGEMENT

The Directors would like to express their grateful appreciation for the co-operation and continued assistance received from Bankers, Officers and Staff of the Company.

On behalf of the Board
for **CUBICAL FINANCIAL SERVICES LIMITED**

	Sd/-	Sd/-
Place : Delhi	**(Ashwani K. Gupta)**	**(N S R Prasad Raju)**
Date : 01.09.2008	*Managing Director*	*Director*

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REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2007-2008

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

1. A Brief Statement on Company's Philosophy on Code of Governance:

Cubical's Corporate Governance philosophy is based on ethical values including, integrity, honesty, justice, transparency and responsiveness to stakeholders. The company continuously endeavors to improve on these aspects on an ongoing basis.

2. Board composition and particulars of Directors

Board of Directors :

The Board comprises 4 members- 1 Executive Director and 3 Non-Executive Directors. During the year nine Board meetings were held on 20-04-07, 29-06-07, 30-07-07, 11-09-07, 31-10-07, 7-12-2007, 27-12-2007, 31-01-08 and 27-03-08. The composition of Board of Directors and their attendance at the meeting during the year and at the last Annual General Meeting as also number of other Directorships/Memberships of Committees are as follows:

Name of Director	Positions	Attendance in Board Meetings during 2007-2008	Attendance in the last AGM	No. of other Director-ships	Committee Membership/ Chairmanship
Sh. Ashwani K. Gupta	Managing Director	9	Yes	–	–
Sh. N.S.R. Prasad Raju	Non Executive Independent Director	9	Yes	–	3
Sh. Mohinder Sain Gupta	Non Executive Director	9	Yes	–	3
Sh. Sunil Kumar	Non Executive Independent Director	8	Yes	–	3

Code of Conduct

The Board has laid down code of conduct for all Board members and senior management of the Company. The Board of Directors and Senior Management Personnel has made a declaration affirming the compliance of the Code of conduct.

3. Audit Committee:

The audit committee comprises three non-executive Directors. The Chairman is Sh. NSR Prasad Raju who has considerable financial expertise and experience.

The Terms of Reference the Audit Committee is in conformity with the requirement of clause 49 of the Listing Agreement. The Terms of Reference of the Audit Committee were revised in view of the amended clause 49 of the Listing Agreement.

Four Audit Committee meetings were held during the year. These were held on 30-06-2007, 30-07-2007, 31-10-2007 & 31-01-2008.

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Attendance at Audit Committee Meetings during the year was as follows.

Member	Meeting held during the Year	Meeting Attended
Sh. N.S.R. Prasad Raju	4	4
Sh. Sunil Kumar	4	4
Sh. Mohinder Sain Gupta	4	4

Sr. NSR Prasad Raju, Chairman of the Audit Committee attended the previous Annual General Meeting of the Company held on 25.09.2007.

4. Remuneration of Directors:

The Company has constituted Remuneration committee, which comprises three non-executive Directors viz: Sh. N.S.R. Prasad Raju and Sh. Mohinder Sain Gupta and Sh. Sunil Kumar. The Committee met once during the year.

The Board of Directors of the Company has been authorized to vary or increase the remuneration of Managing Director within ceiling fixed by the shareholders. Given below are the details of actual payments made to Executive/Non- Executive Directors for the period 01-04-06 to 31-03-07.

Name of Directors	Business relationship	Remuneration paid/payable from 01.04.07 to 31.03.08		
		Sitting fees	Salary & Perks	Total
Sh.Ashwani K. Gupta	Executive Director	–	2,40,000	2,40,000
Sh. N.S.R. Prasad Raju	Non Executive Independent Director	–	–	–
Sh. Mohinder Sain Gupta	Non Executive Director	–	–	–
Sh. Sunil Kumar	Non Executive Independent Director	–	–	–

5. Shareholder's/Investor's Grievance Committee:

The Shares of the company are being compulsorily traded in dematerialized form. However, the request for re-materialization and transfer of shares in physical mode are approved by the Share Transfer Committee. Committee of the Board of Directors of the Company known as Share transfer committee looks after the grievance of shareholders of the company. The Committee is headed by Shri N.S.R. Prasad Raju. The committee has been holding regular meetings to ensure compliance with the provisions of the Companies Act, 1956 and the Listing Agreement and to ensure the proper services of investors. During the financial year 2007-2008, Company has not received any complaints regarding transfer of shares etc.

6. Postal Ballot:

During the financial year under review, no postal ballot was conducted by the company and no special resolution is proposed to be conducted through postal ballot by the Company.

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7. General Body Meetings:

Location and time where last three Annual General Meetings were held are given below:

Financial year	Date	Time	Venue
2004-2005	23.09.2005	10.00 A.M.	Asha Farms, Opposite Swami Vivekanand Modern School, Palla Gaon Road, Bhaktavarpur, Delhi-110 036
2005-2006	22.09.2006	10.00 A.M.	Multipurpose Community Centre, Kherakhurd, Alipur Block Delhi-110082
2006-2007	25.9.2007	10.00A.M.	Multipurpose Community Centre, Kherakhurd, Alipur Block Delhi-110082

8. Disclosures:

(i) There are no materially significant related party transactions, which may have potential conflict with the interest of the company. Member may refer notes to accounts attached with the Balance Sheet for related party transactions.

(ii) The Company has complied with requirement of the Stock Exchange SEBI/Statutory Authorites on all matters related to capital Markets during the last three years.

(iii) The company has complied with all the mandatory requirements of Clause-49 of the Listing Agreement with the Stock Exchanges.

9. Means of Communication:

The quarterly, half yearly and annual financial results are published in national newspapers. The company is also providing regular information to the Stock Exchanges as per the requirements of the Listing Agreements. SEBI/Stock Exchanges have never imposes any penalty on the Company for violation of any law/agreement.

10. General Shareholder Information:

A. Annual General Meeting

Date and Time : Friday the 26th September,2008 at 10.00 A.M.

Venue : Multipurpose Community Centre, Kherakhurd, Alipur Block Delhi-110 082

B. Financial Calendar

The company follows April-March as its financial year. The results for every quarter beginning from April is declared in the month following the quarter except for the last quarter for which the results were declared in June 2008 as permitted under the listing agreement.

C. Date of Book Closure

19th September 2008 to 26th September, 2008 (both days inclusive) for Annual General Meeting of the Company.

D. Listing on Stock Exchanges

The Company's shares are listed on The Delhi Stock Exchange Association Limited, New Delhi and The Stock Exchange, Mumbai.

E. Market Price Date

The shares of the company are thinly traded during the financial year 2007-08. The highest and

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