

13TH ANNUAL GENERAL MEETING ANNUAL REPORT

Venue : Hotel Amaltas
G T Road
Near Jalandhar Bye Pass
Ludhiana

Date/ Day : Thursday
31st July 2008

Time : 11: 00 A.M



DEVINE IMPEX LIMITED

Regd. Office : 2nd Floor, Nego Complex
Pakhawal Road, Ludhiana



DEVINE IMPEX LTD.
Regd. Office :2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

BOARD OF DIRECTORS:

Shri Nagesh Chander Aggarwal	Director
Shri Sanjeev Gupta	Director
Shri Mohit Goyal	Director
Shri Yashu D Bansal	Director
Shri Ashwani Gulati	Director

BANKERS:

Bank of Baroda
Nego Complex,
Pakhawal Road,
Ludhiana

Punjab National Bank
Bhai Randhir Singh Nagar
Ludhiana

STATUTORY AUDITORS:

M/s A K Bhandari & Co.
Chartered Accountants
Gill Road, Ludhiana

REGISTRAR & SHARE TRANSFER AGENT:

Intimate Spectrum Registry
A 31, 3rd Floor, Naraina
Industrial Area, Phase I
Near P V R, Naraina
New Delhi

INVESTOR GRIEVANCE:

Shri Nagesh Aggarwal
Compliance Officer,
Nego Complex,
Pakhawal Road,
Ludhiana.



DEVINE IMPEX LTD.
Regd. Office :2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

NOTICE

Notice is hereby given that the THIRTEENTH Annual General Meeting of the members of **DEVINE IMPEX LIMITED** will be held on **THURSDAY 31st Day of July, 2008** at **11.00 a.m.** at **Hotel Amaltas, G.T Road, Near Jalandhar Bye Pass, Ludhiana** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2008 and Profit & Loss Account for the year ended March 31, 2008 along with the Directors' and Auditors' reports thereon.
2. To appoint auditors of the Company, who retire at the conclusion of this Annual General Meeting, for a further period of one-year i.e. till the conclusion of next Annual General Meeting and fixed their remuneration.
3. To appoint a director in place of Mr. Nagesh Aggarwal who retire by rotation and eligible for re – appointment.
4. To appoint a director in place of Mr. Mohit Goyal who retire by rotation and eligible for re – appointment.

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 and the proxy need not be a member of the Company.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Members are requested to notify immediately any change in their registered address to the Company.
4. Members are requested to bring their copy of the Annual Report.
5. Members are requested to bring the attendance slip duly filed in the attending the meeting.
6. Queries, if any, on annual accounts must reach the registered office of the company at least 7 days before the date of Annual General Meeting.
7. Members are requested to quote ledger folio numbers in all correspondence with the Company
8. The Register of Members and Share Transfer Books of Company will remain closed from 25th July 2008 to 31st July 2008 (Both Days inclusive)

Place : Ludhiana
Dated : 28th June 2008

By order of the Board

--Sd/--
(Nagesh Aggarwal)
Chairman



DEVINE IMPEX LTD.
Regd. Office :2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

DIRECTOR'S REPORT

The Directors have the pleasure of presenting the Thirteenth Annual Report and Audited Accounts of your Company for the year ended 31st March 2008

FINANCIAL PERFORMANCE

In 2007-08 your company has achieved turnover i.e 662.45 Lac which is lower from last year. During the year your company has not transacted imported raw wool which affected the turnover of the company.

Particulars	(Rupees in Lac)	
	2007-08	2006-07
Turnover	662.45	686.10
Other Income	5.36	4.40
Total Revenue	667.81	690.50
Cost of Goods Sold	656.60	668.40
Gross Margin	11.21	22.10
Salary & Other Operating Expenses	7.35	17.72
Interest	1.30	0.97
Depreciation W/o	1.96	1.52
Profit before Tax	0.60	1.89
Provision for Tax	0.48	0.53
Profit after Tax	0.12	1.36
Earning Per Share (Rs./Share)	0.002	0.03

LOOKING FORWARD

Your director feels pleasure to announce that Company's shares being traded on BSE floor in from the last year. As being diversified in the segment of import of yarn has not given expected profit, so the management has not transacted in yarn during last year. Please refer Management Discussion & Analysis Report for detail.

DIVIDEND

Keeping in view the funds requirement for the expansion of the new trading unit of cloth, the Directors do not recommend any dividend for the year ending 31st March 2008

DEPOSITS

During the year, your company did not accept any deposits from the public under Section 58A of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS

The Annual Report also contains a separate section on the Management Discussion and Analysis, which is a part of the Director's Report.



DEVINE IMPEX LTD.
Regd. Office :2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

HUMAN RELATIONS

In the year under review, your Company continued to enjoy cordial relations among all its employees. In an effort to form its own world class Management cadre, the Company recruited executives at various levels, including various senior management positions, during the year.

STATUTORY INFORMATION

A) Conservation of Energy

Your company not being a manufacturing company, the provision relating to measurers for conservation of energy and reduction of energy consumption are not applicable.

B) Technology Absorption

No comment is being made on technology absorption considering the nature of activities undertaken by your company during the period under review.

C) Foreign Exchange Earning/ Outgo

(In Rs.)

	2007 - 08	2006 - 07
Earning (FOB Value of Exports, commission earned)	NIL	NIL
Outgo Go (CIF value of imports and expenditure in foreign currency)	NIL	28, 28,763

D) Employee Particulars

During the year, No employee drawn remuneration exceeding the limit laid down under the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

CORPORATE GOVERNANCE

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the Report on Corporate Governance, together with Auditor's Certificate regarding Compliance of the SEBI Code of Corporate Governance, is annexed herewith

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act 1956, the Directors hereby confirm:-

That your Company had followed the applicable accounting standards along with proper explanations relating to material departures in the preparation of annual accounts.

that your Company had selected such accounting policies and applied them consistency and made judgment 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 financial year and of the profit or loss account of the Company for that period.

that your Company had taken proper and sufficient care for the maintains of adequate accounting record, in accordance with the provisions of the Companies Act, for safeguarding the assets of your



DEVINE IMPEX LTD.
Regd. Office :2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

Company and for preventing and detecting fraud and other irregularities; and that the accounts of your Company have been prepared on a going-concern basis.

AUDITOR'S REPORT

The entire items on which the Auditors have commented on their report are self explanatory.

DIRECTORATE

In accordance with the provisions of the Companies Act, 1956 and the Article of Association of the Company, Sh. Nagesh Aggarwal & Sh. Mohit Goyal, Directors of Company retires by rotation and being eligible, offer themselves for re – appointment.

ACKNOWLEDGEMENT

The Board expresses its deep gratitude and thanks to the clients, bankers, associates and shareholders for their valuable contribution toward the progress of the company. Your Directors particularly wish to place on record their sincere appreciation of the best efforts put in by the employees at all levels, but for which, the company could not have achieved what have achieved what it did during the year under review.

Report  Junction.com

Place: Ludhiana
Dated: 28th June 2008

For and on the behalf of the Board

–Sd/--
(Nagesh Aggarwal)
Chairman



DEVINE IMPEX LTD.
Regd. Office : 2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments:

During the year recession and inflation affected the import and export market, which could not perform well. But the global textile industry is undergoing growth, restructuring and relocation in the wake of dismantling of restrictions on the movement of textile products across the world. The industry is growing at a rapid pace in countries like China, India, Pakistan, Bangladesh, Sri Lanka and East European countries. On the other segment Stock Market can offer higher returns than any other class of investment but the risk is very high as there is no guarantee of returns. During the year stock market under review has gone through up's and down but remain bullish mode.

Future Outlook

The fundamental growth drivers remain strong. There would be growing opportunities in the international market and domestic market. Besides the growth opportunities in the world market consequent to opening of the world trade in 2005, there exists immense opportunities due to increased consumption that is expected to take place due to growing income. So consumption of fine raw wool will be increased in India. We try to make more negotiation with other companies in Australia and in European countries for procurement of yarn and other side looking prospective manufacture in India.

It has been our continuous endeavor that we diversify the products so that the company can offer to the buyer more and more value added products.

Business review Segment Performance

As you know now your Company was operated two segments i.e Stock & Shares & Textile. But due to inflation and international recession the company could not transact in imported raw wool. The Performance of different segment as follow:

Division	Turnover (In Lacs)	Percentage
Textile	Nil	Nil
Stock & Shares	662.45	100
Total	662.45	100

So there is no separate report on Segment attached.

Management of Risk

With respect to export business you are aware that the Government has not continued any provisions for tax free status for export profits under Income Tax.

The year was not financially good as the Government could not control the inflation which affects the business of the company. Further the deduction of export profits available U/s 80HHC of the Income Tax Act has passed into history from A.Y. 2005-06 on account of non pronouncement of extension of dates in the Finance Bill passed by the Parliament. Consequently the company will not be benefited and their entire profits will now be subject to tax.



DEVINE IMPEX LTD.
Regd. Office : 2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

The Management Discussions and Analysis explaining the objectives of the Company, the opportunities and concern, the outlook for the future, the risks and concerns have to be read with the meaning of relevant applicable laws and regulations. The actual physical performance may differ materially from those explained hereinabove.

Internal Control and their Adequacy

The Company has a proper and adequate internal control system commensurate with its size and operations to ensure that all its assets are safeguarded and protected against losses.

The internal control system and its adequacy thereof is constantly reviewed by the Audit Committee

Financial Operational Performance

Please refer Director Report for Financial Performance.

Material Development in Human Resources / Industrial Relations

The Company believes that people are the key ingredient to the success of an organization. Looking after people makes good business sense because, if people are motivated, service excellence will follow. The Company recognizes the importance and contribution of its Human resources for its growth and development and is committed to the development of its people.

Cautionary Statement

Statement in the management's Discussion and Analysis describing the Company's projections, estimates, expectation or predictions may be forward looking predication with in the meaning of applicable securities laws and regulations. These forward looking statements are based on certain assumption and expectations are accurate or will be realized. Actual results may differ materially from such estimated, projections, etc. whether expressed or implied.



DEVINE IMPEX LTD.
 Regd. Office : 2nd Floor,
 Nago Complex,
 Pakhowal Road,
 Ludhiana.

CORPORATE GOVERNENCE'S REPORT

This Report on Corporate Governance forms part of the Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensure that a Company meets its obligations to optimize shareholders' value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholders' value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities are hall marks of the best practices followed by the Company. This report on Corporate Governance, besides being in compliance of the mandatory Listing Agreement, gives an insight into the functioning of the Company.

A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. The Company is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

BOARD OF DIRECTORS

The Board of Director optimal combination of Executive, Non Executive and Independent Directors The Board of Directors comprises of five directors, One Promoter Director and other four are non executive independent Directors. The composition and category of Directors is as per the table given below

The Company holds minimum of four Board Meetings in each years, which are pre scheduled after the end of each financial quarter. Additional Board Meeting is convened by giving appropriate notice at any time to address the specific need of company. The meetings are usually held at the Company's registered Office in Ludhiana. The agenda papers are finalized by the chairman of Board. These are then circulated to the Directors in advance.

The Members of the Board have access to all the information relating to the Company and are free to suggest/ recommend any matter for the efficient governance of Company.

The person in charge records the minutes of the proceeding of each Board and Committee Meetings; Draft minutes are circulated to all the members of the board for their comments. The minutes of proceedings of a meeting are entered in the Minutes Book within 30 days from the conclusion of the meeting.

During the Financial year 2007-08, 5 meetings of Board were held. The Composition of the Board of Directors, their attendance at the Board Meeting held during the year and also the number of other directorships held by them given below:



DEVINE IMPEX LTD.
Regd. Office :2nd Floor,
Nego Complex,
Pakhawal Road,
Ludhiana.

Name	Designation	Category	Directorship in other Public Company	Committee Membership in other Public Company	No. of Board Meetings		Whether attended last AGM
					Held	Attended	
Nagesh Aggarwal	Director	Executive	1	No	5	5	Yes
Vijay K Gupta	Director	Independent & Non Executive	Nil	No	5	4	Yes
Mohit Goyal	Director	Independent & Non Executive	Nil	No	5	5	Yes
Yashu D Bansal	Director	Independent & Non Executive	Nil	No	5	5	Yes
Ashawani Gulati	Director	Independent & Non Executive	Nil	No	5	5	Yes

Some of the items discussed at the Board meetings are listed below:

- Annual Business Plan.
- Investments.
- Review of operations of Company.
- Status of independence of directors.
- Delisting of the equity shares of the Company from The Delhi Stock Exchange Association Ltd and The Ludhiana Stock Exchange Association Ltd.
- Revocation of Suspension of Share from The Bombay Stock Exchange Limited.
- Quarterly/ half yearly / annual financial results and dividend.

Notes:

- During the year under review there was no transaction of the Company with any of the Non Executive Directors.
- None of Director of your Company is a member of more than 10 committees or is the Chairman of more than five Committees across all the Public Companies in which they are Directors.
- None of Directors has any Business relationship with the Company.

AUDIT COMMITTEE

Term of Reference

The role, term of reference and the authority and power of the Committee are in the conformity with the requirement of the Companies Act, 1956 and the Listing Agreement. The essential function of the Audit Committee includes review of the systems and procedures, overseeing the functioning of internal audit, the effectiveness of controls and regulatory compliance. It also review Company's financial reporting process, disclosure of financial information, and observation of auditors and recommends the appointment of