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**Emmsons International Limited**

**15th Annual Report  
2007-2008**

*Creating Quality, Winning Trust*

## **MANAGING DIRECTOR'S MESSAGE**

Dear Shareholders,

The time of presentation of Annual Accounts also gives me an opportunity to communicate with you and share with you the progress made by your company during the last one year as well as the future direction.

Trading companies, which were symbolic of Japan's economic growth during better part of twentieth century, are popularly known as "Sogo Shosha" in Japanese Language. These Sogo Shosha spread their wings all over the globe, which not only did successful international trading, but also assisted Japanese Manufacturing companies in attaining international quality standards and scales. Term "Sogo Shosha" refers to large general purpose trading companies, which are engaged in import and export to and from an area or a country.

It was only towards the end of twentieth Century, that concept of Sogo Shosha emerged in India. These new generation trading companies, wanting to attain global scale in international trading. Most of these companies took to international trading of agro commodities, since agriculture has been the mainstay of Indian economy. Green revolution coupled with fast rising population in India, gave rise to two trade opportunities to the trading companies. While some surplus food grains were being exported, pulses and edible oils were being imported into the country.

Having sensed the opportunity of creating a homegrown Sogo Shosha, We set-up Emmsons International Limited in early nineties. Starting with import of Sulphur and Fertilizers, the company soon diversified into exports of rice, wheat, sugar, maize, Barley, Cotton, Acid Casein and similar products and also import of pulses. Recently company started import of coal as well.



Anil Monga, Managing Director

During the last 15 years, the company has not only established itself in the international market as a reliable trade partner, but has also assisted in promoting brand India in the international market besides assisting small sized rice mills exporting their products. The company is also emerging as a regular supplier to the international food-aid agencies. Emmsons can truly claim to be one of India's first Sogo Shosha.

The company is now set to conquer international frontiers and has set up a subsidiary trading company in Switzerland, and is looking for investment opportunities as far as Indonesia and Ukraine. Having taken some baby steps in these countries, the company is now set to start Coal mining business in Indonesia and Corporate Farming in Ukraine.

The coming year is expected to witness the company's debut in the International Market place and emergence a true Sogo Shosha from India.

With best wishes,

Sincerely

(Anil Monga)  
Managing Director



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## COMPANY INFORMATION

### BOARD OF DIRECTORS

|                          |                                       |
|--------------------------|---------------------------------------|
| Anil Monga               | Managing Director                     |
| Rajesh Monga             | Whole Time Director                   |
| Madan Lal Monga          | Director                              |
| Vijay Kumar Kakkar       | Professional and Independent Director |
| Viresh Shankar Mathur    | Professional and Independent Director |
| Mohammad Tariq Raza      | Professional and Independent Director |
| Mr. Satish Chandra Gupta | Professional and Independent Director |

### KEY MANAGEMENT PERSONNEL

|                      |                                        |
|----------------------|----------------------------------------|
| B.B. Gandhi          | President (Commercial)                 |
| D.K. Rastogi         | Vice President (Trading)               |
| Shivaz Monga         | Vice President (Import)                |
| Hamant Paul          | G.M. (Finance)                         |
| Varinder Machhral    | G.M. (Trading)                         |
| Shiraz Rehman        | D.G.M. (Trading)                       |
| Shailesh Kumar Singh | Company Secretary & Compliance Officer |

### BANKERS

#### ORIENTAL BANK OF COMMERCE

Overseas Branch, M-33, Greater Kailash-II,  
New Delhi-110048

#### INDIAN OVERSEAS BANK

A-19/22, Moolchand Shopping Complex,  
Defence Colony, New Delhi

#### CANARA BANK

Overseas Branch, B-39, 1st Floor, Middle Circle,  
Connaught Circus, New Delhi-110001

#### INDIAN BANK

13, Zamrudpur Community Centre, Greater Kailash-I,  
New Delhi-110048

### AUDITORS

#### SURESH & ASSOCIATES

3A Bigjo's Tower, Netaji Subhash Place,  
Pitampura, Delhi-110034

### OFFICES

#### REGISTERED OFFICE

2637, First Floor, Naya Bazar,  
Delhi-110006

#### ADMN. OFFICE

101, South Delhi House,  
12, Zamrudpur Community Centre,  
Kailash Colony, New Delhi-110048

### SHARE REGISTRAR

#### IN TIME SPECTRUM REGISTRY LIMITED

A-40, 2nd Floor, Narayana Industrial Area,  
Phase-II, Near Batra Banquet,  
New Delhi-110028



## FINANCIAL HIGHLIGHTS

| PARTICULARS                                               | (Rs. in lacs) |          |          |
|-----------------------------------------------------------|---------------|----------|----------|
|                                                           | 2007-08       | 2006-07  | 2005-06  |
| 1. Gross Turnover/Income                                  | 58359.07      | 37565.57 | 14605.00 |
| 2. Earnings Before Depreciation, Interest and Tax (EBDIT) | 2534.60       | 1453.03  | 691.38   |
| 3. Depreciation                                           | 33.46         | 26.36    | 21.14    |
| 4. Profit before Tax                                      | 1517.98       | 724.27   | 319.29   |
| 5. Profit After Tax                                       | 1008.09       | 638.88   | 303.16   |
| 6. Equity Dividend %                                      | 20.00         | 15.00    | —        |
| 7. Dividend Payout                                        | 102.96        | 65.38    | —        |
| 8. Equity Share Capital                                   | 514.80        | 435.89   | 435.89   |
| 9. Equity Share Warrants (Application)                    | 197.50        | —        | —        |
| 10. Reserve and Surplus                                   | 4440.93       | 1561.64  | 999.25   |
| 11. Net Worth                                             | 5153.24       | 1997.53  | 1435.14  |
| 12. Gross Fixed Assets                                    | 511.02        | 411.70   | 312.99   |
| 13. Net Fixed Assets                                      | 591.27        | 347.68   | 223.23   |
| 14. Total Assets                                          | 15934.62      | 18260.17 | 7397.70  |
| 15. Total Liabilities                                     | 10781.39      | 16262.64 | 5962.55  |
| 16. Market Capitalisation                                 | 7904.78       | 2231.77  | 1237.93  |

## KEY INDICATORS

| PARTICULARS                        | 2007-08  | 2006-07  | 2005-06  |
|------------------------------------|----------|----------|----------|
| 1. Earning Per Share (Basic) - Rs. | 23.12    | 14.66    | 6.81     |
| 2. Turnover Per Share - Rs.        | 1133.62  | 861.81   | 335.06   |
| 3. Book Value Per Share - Rs.      | 96.26    | 45.83    | 32.92    |
| 4. Debt : Equity Ratio             | 1.47 : 1 | 3.56 : 1 | 3.43 : 1 |
| 5. EBDIT/Gross Turnover - %        | 4.34     | 3.87     | 4.73     |
| 6. Net Profit Margin               | 1.73     | 1.70     | 2.08     |



## NOTICE

NOTICE is hereby given that 15th Annual General Meeting of M/s Emmsons International Limited will be held on Monday, the 11th August, 2008 at 11.00 A.M. at **Jaypee Vasant Continental, Basant Lok, Vasant Vihar, New Delhi-110057** to transact the following business.

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2008 and Profit & Loss Account for the year ended on that date together with Auditor's Report and Report of Directors.
2. To Declare a Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Vijay Kumar Kakkar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Viresh Shankar Mathur, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s Suresh & Associates, Chartered Accountants, as Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

6. **To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.**

**"RESOLVED THAT** Mr. Satish Chandra Gupta, who has been appointed as an Additional Director under section 260 of the Companies Act, 1956 and Article 80 of the Articles of Association of the Company by the Board of Directors in their meeting held on 6th day of June, 2008 and who holds office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company liable to retire by rotation."

7. **To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.**

**"RESOLVED THAT** pursuant to the Provisions of Section 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII as amended, approval of the member be and is hereby accorded to the appointment of Mr. Shivaz Monga, as Whole-Time Director of the Company under the designation of "Executive Director" for a period of 5 Years w.e.f 12th August, 2008 on the terms and conditions and remuneration & perquisite detailed below :

#### A. SALARY:

Rs. 1,50,000 (Rupees One Lac Fifty Thousand Only) per month in the grade of 1,50,000-25,000-2,00,000-30,000-2,60,000.

#### B. COMMISSION:

Such percentage of net profits as may be decided by the Board of Directors in each Financial Year.

#### C. PERQUISITES:

In addition to Salary and Commission, he will be entitled to Perquisites like furnished accommodation, gas, electricity, water and furnishings, medical reimbursement, leave travel concession, club fees including membership fee of two clubs, personal accident insurance etc. in accordance with the rules of the Company, such perquisites being restricted to Rs. 8,00,000/- (Rupees Eight Lacs Only) per annum.

- i) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable, otherwise, at actuals. Provisions for use of Company car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of Perquisites for the purpose of calculating the said ceiling.
- ii) Company's contribution to Provident Fund and Superannuation Fund not exceeding twenty five percent of the remuneration shall not be included in the computation of limits for Perquisites aforesaid.

- iii) The total remuneration payable to him including Commission, value of Perquisites and Company's contribution towards Provident Fund and Superannuation Fund shall not exceed Rs. 40,00,000/- (Rupees Forty lacs Only) for any financial year.

**D. OTHER TERMS**

- i) The total remuneration including commission perquisites and company's contribution towards provident fund and superannuation fund payable to him shall not exceed five percent where there is only one managing/whole-time director and ten percent where there are more than one managing/whole-time director, of the profits calculated in accordance with section 198 and 309 of the companies act, 1956.
- ii) The Whole-time director shall be entitled to reimbursement of all actual expenses, including on entertainment and traveling, incurred in the course of the company's business.
- iii) The Whole-time director shall also be entitled to the benefits under other benefits, schemes, privileges and amenities such as hospitalization etc. as are granted to the senior executives of the company, in accordance with the company's practice, rules and regulations in force from time to time.
- iv) The company or the Whole-time director shall be entitled at any time to terminate this appointment by giving three months written notice or by any shorter notice as may be mutually agreed to, by both the parties.
- v) In the event of loss or inadequacy of profits in any financial year, the whole-time director shall be paid, subject to the compliance of schedule XIII of the companies act, 1956 in this regard, remuneration by way of salary and perquisites as specified above.
- vi) The Whole-time director, so long as he functions as Whole-time director, shall not be paid any sitting fee for attending meeting of the board of directors or committees thereof.

**"RESOLVED FURTHER THAT** the Whole-Time Director will be authorized to exercise such powers of management, as may be delegated to him by the company from time to time, subject however, to the overall superintendence, control and supervision of the board of directors of the company."

**"RESOLVED FURTHER THAT** in the event of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, etc. within such prescribed limits."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution."

**8. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.**

**"RESOLVED THAT** in supersession of the earlier resolution passed by the Members in their meeting held on 24th September, 2004, consent of the Members be and is hereby accorded for deleting sub-clause (iii) of item No.5 of Special Business relating to total remuneration payable for any financial year and substituting new clause in place of earlier one as under"

**"The total remuneration payable to Whole-time Director including Commission, Value of Perquisites and Company's Contribution towards Provident Fund and Superannuation Fund shall not exceed the limit set out in Section 309, 198 and Schedule XIII of the Companies Act, 1956."**

**"RESOLVED FURTHER THAT** in supersession of the earlier resolution passed by the Members in their meeting held on 29th September, 2005, consent of the Members be and is hereby accorded for deleting sub-clause (iii) of item No.5 of Special Business relating to total remuneration payable for any financial year and substituting new clause in place of earlier one as under"

**"The total remuneration payable to Managing Director including Commission, Value of Perquisites and Company's Contribution towards Provident Fund and Superannuation Fund shall not exceed the limit set out in Section 309, 198 and Schedule XIII of the Companies Act, 1956."**

**9. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.**

**"RESOLVED THAT** in accordance with the provisions of section 16, 94(1)(a) of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 the Authorized Share Capital of the Company be and is hereby increased from Rs. 6,00,00,000/- (Rs. Six Crore Only) comprising of 60,00,000 (Sixty Lacs Only) equity shares of Rs. 10 each to Rs. 15,00,00,000/- (Rs. Fifteen Crore Only) comprising 1,50,00,000 (One Crore Fifty Lacs Only) equity shares of Rs. 10 each."





**"RESOLVED FURTHER THAT** that the existing **Clause V** of the Memorandum of Association of the Company as to the share capital be and is hereby altered by substitution of the following new Clause in place of the existing Clause V:

The Authorized Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lacs ) Equity shares of Rs. 10/- each.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to sign, execute and file all such forms, papers and documents with the Registrar of Companies, NCT of Delhi & Haryana and with other Statutory Authorities, as may be required and to do all such acts, deeds, things and matters including appointing attorney(s) or authorised representative(s), as may be considered necessary or expedient, to give effect to this Resolution."

10. **To consider and if thought fit, to pass the following resolution as a special resolution.**

**"RESOLVED THAT** the existing **Article 3** of the Articles of Association of the Company as to the share capital be and is hereby deleted and in its place the following clause be substituted:

The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lacs ) Equity shares of Rs. 10/- each with power to subdivide consolidate and increase or decrease and with power, from time to time, to issue any shares of the original capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be thought fit, and upon the sub-division of shares to apportion the right to participate in profits, in any manners as between the shares resulting from subdivision.

11. **To consider and if thought fit, to pass the following resolution as an Ordinary resolution**

**"RESOLVED THAT** pursuant to section 293(1) (d) and other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Banker's in the ordinary course of business ), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any time exceed the limit of Rs. 200 Crore."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution."

12. **To consider and if thought fit, to pass the following resolution as a special resolution**

**"RESOLVED THAT** in accordance with the provisions of section 309 (3) of the Companies Act, 1956, a sum not exceeding ten percent of the net profits of the Company, computed in the manner referred to in sub-section (1) of section 198 of the Companies Act, 1956, be paid to and distributed amongst the Managing/ Whole-time Directors, if any, for the time being of the Company in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year."

**"RESOLVED FURTHER THAT** the remuneration to be payable to Managing/Whole-time Directors, if any, in the form of commission for the time being should be in addition to the remuneration which is being payable presently subject to the limits specified in Schedule XIII of the Companies Act, 1956."

13. **To consider and if thought fit, to pass the following resolution as a special resolution**

**"RESOLVED THAT** in accordance with the provisions of section 309 (4) of the Companies Act, 1956, a sum not exceeding one percent per annum of the net profits of the Company, computed in the manner referred to in sub-section (1) of section 198 of the Companies Act, 1956, be paid to and distributed amongst the Directors of the company (other than Managing/Whole-time Directors, if any, for the time being of the Company) or some or any of them , in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year."

By Order of the Board of Directors  
For Emmsons International Limited

Dated : 6th June, 2008  
Place : New Delhi

Sd/-  
(ANIL MONGA)  
Managing Director



**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and proxy need not be a member of the company. The instrument of appointing proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. Corporate members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and the Share Transfer Books of the company shall remain closed from Saturday, the 2nd August, 2008 to Monday, the 11th August, 2008 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend if approved/declared.
4. The Dividend on equity shares, if declared at the meeting, will be payable to those share holder, whose name appear on the Companies Register of Members at the close of business hours on 1st August, 2008. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the depositories as at the close of business hours on 1st August, 2008.
5. Members are requested to notify immediately the changes in their address, if any.
6. Members holding shares in identical order of names in more than one folio are requested to write to the Company / Share registrar, enclosing their share certificates, to enable the Company to consolidate their holding in one folio.
7. Members / Proxies are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature registered with the company for admission to the meeting hall.
8. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for identification.
9. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at Annual General Meeting is annexed herewith.

**EXPLANATORY STATEMENT PURSUANT TO THE SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 6**

Mr. Satish Chandra Gupta is a former Chairman & Managing Director of Punjab National Bank and Indian Overseas Bank. He is a Commerce Graduate from Agra University, Master of Commerce from Meerut University and also a Certified Associate of Indian Institute of Bankers.

He started his career with State Bank of India in the year 1966 and moved to Syndicate Bank as a probationer officer. In 1972 he joined Oriental bank of Commerce and worked for over 27 years in different capacities from Manager to General Manager (Credit) in Corporate office at New Delhi, where he handled Credit, Credit Policy, Planning and Development, Marketing, International Banking Division, Domestic & International Treasuries, Accounts, Merchant Banking and Recovery & Law etc. He was also associated in merger of two Co-operative Banks namely Bari Doab Mercantile Bank Limited and Punjab Co-operative Bank Limited with Oriental Bank of Commerce. He also participated actively in the public issue of Oriental Bank of Commerce as General Manager.

In the year 1999 he was promoted and transferred to Indian Overseas Bank as an Executive Director thereafter in the year 2001 he got another promotion in the same bank as Chairman & Managing Director.

In May, 2005, he was given charge of the largest Public Sector bank i.e. Punjab National bank as its Chairman & Managing Director which he retained till his superannuation in May, 2007.

The Board of Directors in their meeting held on 6th day of June, 2008, appointed Mr. Satish Chander Gupta as an Additional Director, pursuant to the provision of the section 260 of the Companies Act, 1956; his term of office expires on the date of this Annual General Meeting. The Company had received a Notice under section 257 of the Companies Act, 1956 from a shareholder for his appointment as Director of the Company.

Except Mr. Satish Chander Gupta, no other director is in any way interested in this resolution.

Your Directors recommend appointment of Mr. Satish Chandra Gupta as Director of the Company. Members are requested to pass the resolution No. 6 of this notice as an ordinary resolution.

**Item No. 7**

The Ordinary Resolution at item No. 7 of the Notice is to seek the members approval to the appointment of Mr. Shivaz Monga as Whole-Time Director of the Company under the designation "Executive Director" w.e.f. 12th August, 2008 made by the Board of Directors of the Company at its meeting held on 6th June, 2008.



Mr. Shivaz Monga is a Bachelor in international business and human resources from Swinburne University of Melbourne., Australia and also holds a Master degree in professional accounting from Melbourne University, Melbourne, Australia. Earlier he has worked with M/s. Emirates Trading Agency L.L.C., Dubai, U.A.E. There he was involved in trading of steel rebars and other related items. He was appointed as Manager (Exports) in our Company w.e.f. 15th June, 2004 with the approval of shareholders in Annual General Meeting of the Company. Presently, he is also a director in the Company "Emmpac Holdings Private Limited.

Except Mr. Anil Monga, Managing Director, Mr. Rajesh Monga, Whole-Time Director and Mr. Madan Lal Monga, Director of the Company none of the other directors are interested or concerned in the Resolution.

Members are requested to pass the resolution No. 7 of this notice as an ordinary resolution.

#### Item No. 8

Mr. Anil Monga was reappointed as Managing Director of the Company w.e.f. 1st September, 2005 and Mr. Rajesh Monga as Whole-Time Director w.e.f. 1st January 2004 on contractual basis for a term of Five years.

The terms and Conditions of their appointment and their remuneration details were given in the respective notices where your approval was being obtained for their re-appointment.

During their tenure, the Company had shown tremendous growth and name in international market. Keeping in view their long term association with the Company and their dedication and experience, the Remuneration Committee decided in their Board Meeting and subsequently approved by the Board of Director in their meeting held on 6th June, 2008 to delete the earlier clauses and insert a new clause in that place so as to increase the limit of total remuneration payable to them including Commission, value of Perquisites and Company's contribution towards Provident Fund and Superannuation Fund shall not exceed the limit set out in Section 309,198 and Schedule XIII of the Companies Act,1956.

Pursuant to Section 310 of the Companies Act, 1956 if there is any increase in remuneration of Managing Director and Whole-Time Director of the Company such increase shall not have any effect in case where Schedule XIII is applicable unless such increase is in accordance with the conditions specified in that Schedule.

As it falls under Schedule XIII of the Companies Act, 1956, Your Director recommends for your approval of resolution No.- 8, as an Ordinary Resolution.

Except Mr. Anil Monga, Managing Director and Mr. Rajesh Monga, Whole-Time Director and Mr. Madan Lal Monga, Director of the Company none of the directors are interested or concerned in the Resolution.

Members are requested to pass the resolution No. 8 of this notice as an ordinary resolution.

#### Item No. 9

The members are aware that the present authorized capital of the company is Rs. 6 Crore. The Directors have proposed to enhance the authorized capital to Rs. 15 Crore only (Rupees Fifteen Crore) keeping in view the future activities of the company, expansion of the business, and to make investment in its subsidiary and joint venture Companies. The corresponding amendments of the capital clauses in the Memorandum are also accordingly proposed for consideration and approval as ordinary resolutions as required under the Companies Act, 1956. Your directors recommend the resolutions for adoption.

None of the directors are interested directly or indirectly in the resolutions except that the Directors in general would be interested to the extent of their holding of shares in the company and further to the shares which may be allotted to them in future. Save for this, there is no other direct or indirect interest for any director in any other way.

Members are requested to pass the resolution No. 9 of this notice as an ordinary resolution.

#### Item No. 10

Section 31 of the Companies Act, 1956 provides that the amendment of Articles of Association is to be approved by the Members of the Company as Special Resolution. The amendments proposed is the corresponding amendment of the Capital Clause consequent upon the increase in the capital proposed at Item No.8. Your directors recommend this resolution also for adoption.

None of the directors are interested directly or indirectly in the resolutions except that the Directors in general would be interested to the extent of their holding of shares in the company and further to the shares which may be allotted to them in future. Save for this, there is no other direct or indirect interest for any director in any other way.

Members are requested to pass the resolution No. 10 of this notice as special resolution.