



GUJARAT POLY- AVX ELECTRONICS LIMITED

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18th Annual Report 2006 -2007



GUJARAT POLY-AVX ELECTRONICS LIMITED

EIGHTEENTH ANNUAL REPORT 2006-2007

ANNUAL GENERAL MEETING

On Friday, the 14th September, 2007
at B-17/18, Gandhinagar Electronic Estate,
Gandhinagar, Gujarat, at 1.00 p. m.

As a measure of economy, copies of the
Annual Report will not be distributed at the Annual
General Meeting. Shareholders are requested
to kindly bring their copies to the meeting.

Board of Directors

Mr. T. R. Kilachand (*Chairman*)

Mr. P. T. Kilachand

Mr. A. H. Mehta (*Executive Director-Finance & Legal*)

Mr. Chandrakant Khushaldas

Brig. K. Balasubramaniam

Mr. A.B.Shah (*GLIC Nominee*)

Mr. R. K. Jani (*GLIC Nominee*)

Company Secretary

Mr. J. M. Shah

Bankers

Bank of Baroda

Auditors

Messrs. C. C. Chokshi & Co.
(*Chartered Accountants*)

Solicitors and Legal Advisers

Crawford Bayley & Co.

Registered Office and Works

B-17/18, Gandhinagar Electronic Estate,
Gandhinagar 382 024, Gujarat.

Corporate Office

7, Jamshedji Tata Road
Churchgate Reclamation
Mumbai 400 020.

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NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of GUJARAT POLY-AVX ELECTRONICS LIMITED will be held at B-17/18, Gandhinagar Electronic Estate, Gandhinagar, Gujarat on Friday, 14th September, 2007 at 1.00 p.m. to transact the following business:

1. To receive, consider and adopt the Directors' Report and Audited Balance Sheet as at 31st March, 2007 and Profit and Loss Account for the year ended 31st March, 2007.
2. To appoint a Director in place of Shri T.R.Kilachand who retires by rotation, but being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri A.B.Shah who retires by rotation, but being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification/s, the following resolution as an Ordinary Resolution for appointing Auditors for the current year.

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, Messrs. C.C.Chokshi & Company, Chartered Accountants, Ahmedabad, be and are hereby appointed as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company.

Further Resolved that the Board of Directors be and is hereby authorised to fix the remuneration of the Auditors and reimbursement of travelling and all other out of pocket expenses incurred in connection with the audit."

By Order of the Board of Directors

J.M.SHAH
Company Secretary

Registered Office:

Plot No. B-17/18,
Gandhinagar Electronic Estate
Gandhinagar 382024
Gujarat.

Dated: 1st August, 2007

NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxies to be effective, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- (b) The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 28th August, 2007 to Tuesday, 4th September, 2007 (both days inclusive).
- (c) Members holding shares in the dematerialized mode are requested to intimate changes in their address, if any, to their Depository Participants and Members holding shares in physical form are requested to intimate the change of address, if any, immediately to the Registrar & Share Transfer Agents at Sharepro Services (India) Pvt.Ltd., Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai 400 099.
Telephone: 022-28215168, 28348218.
Fax : 022-28375646

- (d) The Company's securities are listed on the following Stock Exchange :

Name & Address of the Stock Exchange	Nature of Security
Bombay Stock Exchange Limited Jeejeebhoy Towers Dalal Street Mumbai 400 023.	85,50,000 Equity Shares of Rs.10/- each

The Company has paid Annual Listing fees for 2006-07 to the above Stock Exchange.

(e) Members who have not yet exchanged the Share Certificates, are requested to exchange their Old Share Certificates with New Share Certificates, with the Company.

Information as required under Clause 49(4)(G)(i) of the Listing Agreement, in respect of Directors being re-appointed/appointed.

Name of Director	Mr.T.R.Kilachand	Mr.A.B.Shah
Age	70 Years	48 Years
Qualification	B.A. from Cambridge University in History and Law. M.B.A. in Business Administration from Harvard Business School.	B.E. Mechanical
Date of Appointment	11.03.1992	31.10.2002
Expertise	He has over 43 years of experience in industry, management, implementation of projects etc. He has been associated with various Chambers of Commerce and was the President of Indian Merchants Chamber. He has been associated with various charitable trusts and is Director/ Chairman of several companies.	Working with financial institution since 1983. Appraising and analysing the projects technically and financially. He has vast experience in the field of engineering.

Other Directorship in Public Companies (excluding Private Companies) as on 31 st March, 2007	Polychem Ltd. Ginnars and Pressers Ltd.	Gujarat Goldcoin Ceramics Ltd. Remi Metals Gujarat Limited, Gujarat State Machine Tools Corpn Ltd.
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Committee position held in other Companies	Audit Committee Polychem Limited. Investor Grievance Committee Polychem Limited.	NIL
No. of Equity Shares held	49602	NIL

By Order of the Board of Directors

J.M.SHAH
Company Secretary

Registered Office:

Plot No. B-17/18,
Gandhinagar Electronic Estate
Gandhinagar 382024
Gujarat.
Dated: 1st August, 2007

GUJARAT POLY-AVX ELECTRONICS LIMITED**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors present the Eighteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2007.

1. PRODUCTION ACTIVITIES

During the Financial Year 2006-07 there is an increase in the total production of Ceramic Capacitors from 721.38 Lacs pieces to 867.62 Lacs pcs, an increase of 20% in comparison to the previous year.

2. SALES

The Sales Turnover for the year also increased from Rs.549.13 Lacs to Rs.657.82 Lacs in the present Financial Year, an increase of 19%. The Average Selling Price continued to be under severe pressure due to competition from Imports.

3. FINANCIAL RESULTS

The Company's operations for the year has resulted into loss of Rs. 36.86 lacs. Before interest, depreciation and tax there is surplus of Rs.139.05 lacs (Previous year : Rs.179.73 lacs). The Company cannot recommend dividend due to losses as also Company has to comply with the provisions of the sanctioned Rehabilitation Scheme.

4. FINANCE

The Company has not received any additional loans from the financial institutions during the year ended 31st March, 2007.

5. FIXED DEPOSITS

The Company has not received any deposits from Public during the year.

6. PARTICULARS OF EMPLOYEES

Provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company.

7. PROCEEDINGS BEFORE THE AAIFR / BIFR

As informed to you in the last Annual Report, the Company had, at the time of review Hearing, submitted to BIFR, that the rehabilitation package sanctioned by AAIFR Vide its Order dated 27.03.2002, provided for reduction of equity share capital, conversion of part of the principal amount of loan of Term Lenders into equity shares, preference shares. The balance principal amount was to be paid as per the dates provided in the Order of AAIFR dated 27.03.2002. The Company could not make the payment as per the said Order and had requested the Term Lenders for revised payment schedule as per its letter dated 18th November 2004. The Term Lenders accepted the revised repayment package and as per the package, the Company paid the aggregate amount of Rs.484.01 lacs till 31st March 2007, leaving the balance of Rs. 24.95 lacs as on 31.03.2007 under the revised repayment package. The full and final payments have since been made in respect thereof. The Company has now made the entire payment of principal amount of Rs. 861.14 lacs (OTS) in cash to Term Lenders as per AAIFR Order dated 27.03.2002. The Company will still be required to pay interest on the OTS amount, payment of FITL-I AND FITL-II to Bank of Baroda as well as interest on WCTL, FITL-I AND FITL-II. The Company has approached term lenders for longer period for payment of interest on OTS amount and are awaiting their approval for such longer period.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1968, the Report of

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo etc. is given in Annexure-I forming part of this report.

9. DIRECTORS

Shri T.R.Kilachand and Shri A.B.Shah retire from office by rotation, but being eligible, offer themselves for reappointment.

10. AUDIT COMMITTEE

Your Company has set-up an Audit Committee of Directors as mandated by section 292(A) of the Companies Act, 1956 as amended. Shri Chandrakant Khushaldas, Brig. K. Balasubramaniam and Shri P. T. Kilachand are the members of the Audit Committee.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that :

- (i) in the preparation of the annual accounts applicable accounting standards have been followed, with proper disclosure of any departures;
- (ii) the accounting policies are consistently applied and reasonable, prudent judgement and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
- (iii) that 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 fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

12. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a separate report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

13. AUDITORS' REMARKS

As regards the remarks in the Auditors' Report, please refer to the Notes on Accounts which are self-explanatory.

14. APPOINTMENT OF AUDITORS

You are requested to appoint Auditors. The retiring Auditors M/s.C.C.Chokshi & Co., Chartered Accountants, Ahmedabad are eligible for re-appointment.

15. ACKNOWLEDGEMENT

Your Directors express their sincere thanks to the Central and State Government authorities, including Gujarat Industrial Investment Corporation Ltd., Bank and Financial Institutions and the collaborators Kyocera-AVX Corp of USA.

Sincere thanks are also due to the Management team, the staff and workers for their valuable contribution during this critical period of the Company.

For and on behalf of the Board
T. R. KILACHAND
Chairman

Registered Office :

Plot No. B-17/18
Gandhinagar Electronic Estate
Gandhinagar 382 024
GUJARAT.

Dated : 1st August, 2007

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ANNEXURE I

A. CONSERVATION OF ENERGY

- a) Energy conservation steps taken :
 - i) Monitoring the working of Air Compressor and Chiller for optimum efficiency.
 - ii) Maintained power capacitor bank to improve/maintain power factor.
 - iii) Effective use of utility services.
- b) Additional Investments & Proposals being implemented :
 - i) To utilize all equipment installed so as to control and conserve the energy usage.
 - ii) Proper maintenance schedule and breakdown schedule monitored for effective usage of machine.
 - iii) Review the contract demand and actual required demand.
- c) Impact of measures at (a) & (b) above:
The above implementation have resulted to achieve better output of machinery and reduce the energy cost.
- d) Power & Fuel Consumption : Not Applicable

B. TECHNOLOGY ABSORPTION

FORM - B

1. SPECIFIC AREAS IN WHICH R & D CARRIED OUT BY THE COMPANY

- i) Modification in process to improve yield and productivity.
- ii) Cost effective manufacturing process incorporated to reduce raw material consumption.
- iii) Imported Tools, Jigs and Spares developed locally.

2. BENEFITS DERIVED AS A RESULT OF ABOVE R & D

- i) The above has resulted in consistent manufacturing process.
- ii) Improved consumption norms of raw material.
- iii) Improved quality yield and productivity.

3. FUTURE PLAN OF ACTION

- i) Continuing developing of imported Spares/Tools locally.
- ii) To incorporate similar product in present setup.

4. EXPENDITURE OF R & D

Negligible

TECHNOLOGY - ABSORPTION, ADAPTATION & INNOVATION

(1) (a) Technology Absorption

Technology Absorption is complete in the areas commissioned.

(b) Adaptation

As part of continuous quality improvement, alteration of process condition and parameters are being undertaken.

(c) Innovation

Systems adopted have lead to improve the process.

(2) BENEFITS

- i) The overall product quality maintained which resulted in less customer return on technical ground.
- ii) Improved process time and reduce breakdown time of machine.

(3) IMPORTED TECHNOLOGY

No additional import of Technology in the Financial Year 2006-2007.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) Total Foreign Exchange used : Refer note of 13(e) of Schedule 17
- ii) Total Foreign Exchange earned : Rs.NIL

GUJARAT POLY-AVX ELECTRONICS LIMITED



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

Your Company was incorporated in the year 1989 in collaboration with AVX Ltd., USA, a world leader in Passive Components. The Company manufactures Ceramic Capacitors in Radial, Axial, Surface Mount Devices (SMD's) Configurations in Multilayer type and Singlelayer (Disc.) Ceramic Capacitors. Your Company is one of the largest manufacturers of Ceramic Capacitors in India.

Industrial Structure and Development

Your company is in the business of Ceramic Capacitors which is classified as Passive Electronic Components for supply to Original Equipment Manufacturers (OEM'S) in the following market segments.

- (1) Telecommunications
- (2) Computer & Computer Peripherals
- (3) Instrumentation and Industrial Electronics
- (4) Consumer Electronics
- (5) Defence
- (6) Dealers

Ceramic Capacitors find wide application in the rapidly growing Electronic Industrial segments as above.

Opportunities and Threats

- Electronic industry as a whole is growing at an average growth of 15% in India.
- Ceramic Capacitors are characterized by their miniature size and wide range.
- Ceramic Capacitors are the most popular amongst the various types of capacitors.
- The Electronic Component market is fiercely competitive due to imports particularly from China etc.
- These are supplied to a wide range of OEM's primarily in the instrumentation, Industrial Electronics, Consumer Electronics, Communication Equipments, Computer Peripherals etc.
- Your Company is also trading in other types of Electronic Passive Component.
- The metal prices worldwide and in India continues to be volatile and can adversely affect the bottom lines of the Company.
- Major competition in our product is from imports.
- As per Government of India import policies all components can be imported without any custom duty. Thus they are easy to import by OEM's
- Due to the above the prices are very competitive.

Risks & Concerns

In the present market scenario the electronic industry has access to new technology being imported from the developed countries and with it the components in kit form. They can have an adverse effect on the growth of our customer base.

Performance by Sector and Products

During the financial year 2006-07 the Instrumentation and Industrial Electronics, Consumer Electronics, Defence and Dealer segments recorded a growth in sales over the previous financial year. However, there was a decline in our Telecommunication segment as the Fixed lines requirements were negligible. Also the Computers and Peripherals segment declined due to change in product mix and the migration of this business to subcontractors. The sales turnover during the financial year 2006-07 was Rs.657.82 lacs against Rs.549.13 lacs previous year which is 19% higher than last year.

Similarly production during the financial year 2006-07 also recorded a growth of 20% with a production of 867.62 lac pcs in comparison to 721.38 lac pcs previous year.

Outlook

With the above possibilities the Directors are hopeful of increasing the sales turnover of the Company.

The Company is cautiously optimistic about the growth prospects for the current Financial Year.

Internal Control System and their Adequacy

Gujarat Poly-AVX Electronics Ltd. has adequate system of internal controls to ensure all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.

Your Company has nominated Internal Auditors who evaluate all financial and operating system control of the company. The Internal Auditors also review the internal controls to ensure Accounts of the Company are maintained and transactions are in accordance with the prevailing laws and regulations.

Internal Audit findings and recommendations are reviewed by the top management and the Audit Committee of the Board. The Committee reviews the quarterly, half yearly and annual financial statements before these are submitted to the Board and ensures compliance of internal control system.

FINANCIAL PERFORMANCE

Reserves & Surplus

During the year under review there has been no changes in the capital reserves of the company which stands at Rs. 29,75,000/-.

Secured Loans

As informed to you last year, the Company had submitted in November, 2004, the Revised Repayment Schedule to Financial Institutions and Bank for payments of Term Loans that fell due on 31.12.03 and 31.12.04, amounting to Rs.508.96 lacs as per AAFR Order dated 27.3.2002. On their acceptance, the payments were made aggregating to Rs.484.01 lacs, leaving the balance of Rs. 24.95 lacs as on 31.03.2007, under the said Revised/modified schedule for payments. The full and final payments have since been made in respect thereof. With this the Company has now made the entire payment of Rs. 861.14 lacs (including earlier payments of Rs. 352.18 lacs made upto 31.12.2002) in cash to Term Lenders as per AAFR Order dated 27.03.2002.

The Company has now approached the Term Lenders with a request for payment of interest amounting to Rs.200.83 lacs (subject to reconciliation) by quarterly instalments lasting till 30th April, 2010, on delayed period of Term Loans.

Fixed Assets (Net Block)

The Net Block as on 31.3.2007 is Rs. 731 lacs compared to Rs. 858 lacs for previous year. The net block has gone down due to depreciation / adjustment for the year.

Investments

The Company has not made any investments during the year.

Net Current Assets

The net current assets of the Company have reduced from Rs.140.49 lacs to Rs.112.54 lacs.

Results of operations

The revenue during the year has increased from Rs.549.13 lacs to Rs. 657.82 lacs mainly due to growth in the sale to Instrumentation and Industrial Electronics. The loss for the year is Rs. 36.86 lacs compared to loss of Rs. 4.76 lacs in the previous year. Provisions for interest and financial charges are Rs. 47.38 lacs compared to Rs. 55.80 lacs during previous year.

Payment to and provisions for employees amounts to 13.77% of sales compared to 13.24% in the previous year. Depreciation amounts to 19.54% of Sales during the year compared to 23.44% in the previous year.

The Company cannot recommend dividend due to losses.

Material Development in Human Resources

Your Company's strength lies in its human resources and total employee involvement. Emphasis is placed on effective communication, continuous on going training and regular upgradation of each individual's performance & skills. The company's key business strategy continues to empower every employee to be leader in its stride towards total quality management.

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CORPORATE GOVERNANCE REPORT

1. Board of Directors

The board of directors comprises of seven members and is responsible for management of the Company's business. The Board's role, functions, responsibility and accountability are clearly defined.

The table below provides the composition of the Board of Directors as on 31.3.2007 and other related information.

FY 2006-07 (April '06 to March '07)

Name of the Director	Attendance Particulars			Sitting fees	No. of other Directorship and Committee Membership /Chairmanship	
	Category	Board meetings	Last AGM held on 8.09.06	Rs.	Other Directorship in Public Limited Companies	Committee Membership/ Chairmanship
Mr. T.R.Kilachand	Chairman	5	Yes	10,000/-	2	2
	NED					
Mr. P.T.Kilachand	NED	4	Yes	8,000/-	3	1
Brig.K.Balasubramaniam	NED(I)	5	Yes	10,000/-	—	—
Mr.C.Khushaldas	NED(I)	5	Yes	10,000/-	1	—
Mr. A.B.Shah						
(Nominee of GLIC)	NED	2	Yes	4,000/-	3	—
Mr. R.K.Jani						
(Nominee of GLIC)	NED	2	No	4,000/-	—	—
Mr. A.H.Mehta	ED	4	Yes	—	1	—

Notes:

1. This Number excludes the directorships/ Committee memberships held in Private Companies, Companies registered under Section 25 of the Companies Act, 1956 and that of the Company.
2. NED – Non-Executive Director.
3. NED (I) – Non-Executive and Independent Director.
4. ED – Executive Director

Number of Board Meetings held and dates on which held

During the year under review, five Board Meetings were held on the following dates:

28th April, 2006, 28th July, 2006, 8th September, 2006, 31st October, 2006, and 24th January, 2007.

2. Audit Committee

- i. The Audit Committee has been constituted on 2nd May 2001 as per Section 292A of the Companies Act, 1956. Terms of reference of the Audit Committee are as per the guidelines set out in the listing agreement with the Stock Exchange that inter alia, include overseeing financial report processes, reviewing with the management the financial statements and adequacy of internal control systems, reviewing the adequacy of internal audit function and discussion with internal auditors on any significant findings.

- ii. Minutes of meetings of the Audit Committee are circulated to members of the Committee and the Board is kept apprised.

iii. Composition and Attendance

During the year under review, four meetings of the Audit Committee were held on the following dates and the attendance of each member of the Committee is given below :

28th April, 2006, 28th July, 2006, 31st October 2006 and 24th January, 2007

Name of the Director	Designation	Category	Committee Meetings	
			Held during the tenure	Attended
Shri Chandrakant Khushaldas	Chairman	Independent Director	4	4
Brig. K.Balasubramaniam	Member	Independent Director	4	4
Shri.P.T.Kilachand	Member	Non-Executive	4	3

The majority of the members of the Audit Committee are independent and have knowledge of finance, accounts, company law and telecom industry as a whole. The quorum for audit committee meeting is minimum of two members.

The Company Secretary acts as the Secretary to the Committee.

GUJARAT POLY-AVX ELECTRONICS LIMITED**Details of number of Shares and Convertible instruments held by Non-Executive Directors**

Except Mr.T.R.Kilachand and Mr.P.T.Kilachand who hold 49,602 and 17,682 Equity Shares of Rs.10/- each of the Company respectively, no other Non-Executive Director holds any shares or Convertible instruments of the Company.

3. Adoption of Non mandatory requirement of Clause 49

The Company complies with the following non-mandatory requirements stipulated under Clause 49

Remuneration Committee

Terms of reference

The Terms of Reference of Remuneration Committee include recommending to the Board of Directors specific remuneration packages for Executive Director and management staff.

The composition of the remuneration committee as on 31st March, 2007 was as under:

Sr.No.	Name of the Director	Designation
1.	Shri.C.Khushaldas	Chairman
2.	Brig.K.Balasubramaniam	Member
3.	Shri.P.T.Kilachand	Member

All the above Directors are Non-Executive and the Chairman is an independant Director.

The Remuneration Committee met once during the year on 28th July, 2006.

4. Shareholders'/Investors' Grievance Committee

The following Directors are the members of the said Committee:-

Sr.No.	Name of the Director	No. of Meeting(s)	
		Held	Attended
1.	Shri.T.R.Kilachand - Chairman	24	24
2.	Shri.P.T.Kilachand - Non-Execitiove Director	24	23
3.	Shri.A.H.Mehta - Executive Director	24	22

The Committee would look into the redressal of the shareholders' complaints in respect of all matters including transfer of shares, non-receipt of Annual Report, non-receipt of Share Certificates and investors complaints etc.

Share transfer formalities are attended to at least once a fortnight.

Shri J.M.Shah, Company Secretary provided secretarial support to the Committee and was also the designated Compliance Officer of the Company.

One complaint was received during the year and was solved. There are no complaints pending from the shareholders as on 31.03.2007.

5. CEO/CFO Certification

Mr.A.H.Mehta, Executive Director (Finance & Legal) and Mr.Harshad.H.Jani, Manager (Accounts & Finance) of the Company have certified to the Board that:

(a) They have reviewed financial statements and the cash flow statement for the year and to the best of their knowledge and belief:

- These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of their knowledge and belief, no tansactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) They accept responsibility for establishing and maintaining internal controls for financial reportings and that they have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee those deficiencies of which they are aware, in the design or operation of such internal control and that they have taken the required steps to rectify these deficiencies.

(d) They further certify that they have indicated to the auditors and Audit Committee:

- there have been no significant changes in internal control over financial reporting during the year.
- there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statemements.
- there have been no instances of significant fraud of which they have become aware and the involvement therein of management or an employee having significant role in the Company's internal control system over financial reporting.