



19th

**ANNUAL REPORT
FOR THE YEAR
2007-2008**

Report  Junction.com

HOWARD HOTELS LIMITED



RANU RACHNA JAIN & CO.
CHARTERED ACCOUNTANTS

H/O: 30/129, Chhipitola,
Flat No. 310, 3rd Floor,
Agra- 282001.
B/O: Prateek Tower, Sanjay Place,
Agra- 282002.
Ph: 0562-4009167
<mailto:bajajrachna@yahoo.com>

TO WHOMSOEVER IT MAY CONCERN

As per the information and explanations given to us by the Company and on the basis of information available on the official website of the Bombay Stock Exchange Limited, a recognized Stock Exchange in India, on which the Equity Shares of **HOWARD HOTELS LIMITED** are listed and on which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding six months prior to the relevant date, we hereby confirm as under:

1. We have relied on the Guidelines issued by Securities Exchange Board of India (SEBI) for Preferential Issues under Chapter XIII of SEBI (Disclosure and Investor Protection Guidelines, 2000 including amendments thereof).

2. As per the Clause 13.1.1 of the said Guidelines, the issue of shares on a preferential basis can be made at a price not less than the higher of the following:

a) The average of the weekly high and low of the closing prices of the related shares quoted on a Stock Exchange during the six months preceding the relevant date.

OR

b) The average of the weekly high and low of the closing prices of the related shares quoted on a Stock Exchange during the two weeks preceding the relevant date.

3. "Relevant Date" for this purpose means the date thirty days prior to the date on which the meeting of General Body of shareholders is held in terms of Section 81 (1A) of the Companies Act, 1956, to consider the proposed issue. As the meeting of General Body of shareholders of the Company is scheduled to be held on 4th September 2008, the relevant date as per the guidelines has been considered to be 4th August 2008.

The pricing of the Preferential Issue of Equity Shares cannot be lower than Rs.14.36 equity share as per Clause 13.1.1 of the said Guidelines issued by SEBI. The working for arriving at a price of Rs. 14.36 per share is as per the Annexure attached herewith.

Ranu Rachna Jain & Co.,
Chartered Accountants

Sd/-

Ranu Jain
(Partner)

M. N. 401750

Place: New Delhi

Date: 04th August, 2008

Certified True Copy
For Howard Hotels Limited
Mandeep Singh
Company Secretary

ANNEXURE

**PRICING OF ISSUE OF EQUITY SHARES OF HOWARD HOTELS LIMITED FOR
THE PURPOSE OF ALLOTMENT OF SHARES ON PREFERENTIAL BASIS AS PER
SEBI GUIDELINES**

ALTERNATE 1

AVERAGE OF WEEKLY HIGH & LOW OF THE CLOSING PRICES OF THE SHARES
QUOTED ON THE BOMBAY STOCK EXCHANGE DURING SIX MONTHS PRECEDING
THE RELEVANT DATE (4th AUGUST, 2008)

| Week | Date | | High (Rs.) | Low (Rs.) | Average (Rs.) |
|------|----------------|------------|---------------|---------------|---------------|
| | From | To | | | |
| 1 | 04.02.2008 | 09.02.2008 | 22.80 | 19.75 | 21.28 |
| 2 | 11.02.2008 | 16.02.2008 | 23.00 | 19.00 | 21.00 |
| 3 | 18.02.2008 | 23.02.2008 | 21.25 | 18.60 | 19.93 |
| 4 | 25.02.2008 | 01.03.2008 | 19.60 | 16.20 | 17.90 |
| 5 | 03.03.2008 | 08.03.2008 | 18.20 | 16.20 | 17.20 |
| 6 | 10.03.2008 | 15.03.2008 | 17.75 | 13.00 | 15.40 |
| 7 | 17.03.2008 | 22.03.2008 | 13.90 | 12.65 | 13.27 |
| 8 | 24.03.2008 | 29.03.2008 | 15.55 | 13.25 | 14.40 |
| 9 | 31.03.2008 | 05.04.2008 | 15.35 | 12.95 | 14.15 |
| 10 | 07.04.2008 | 12.04.2008 | 14.85 | 12.45 | 13.65 |
| 11 | 14.04.2008 | 19.04.2008 | 14.25 | 13.25 | 13.75 |
| 12 | 21.04.2008 | 26.04.2008 | 15.50 | 13.45 | 14.48 |
| 13 | 28.04.2008 | 03.05.2008 | 15.40 | 14.02 | 14.71 |
| 14 | 05.05.2008 | 10.05.2008 | 14.60 | 13.35 | 13.98 |
| 15 | 12.05.2008 | 17.05.2008 | 14.90 | 13.40 | 14.15 |
| 16 | 19.05.2008 | 24.05.2008 | 14.64 | 13.32 | 13.98 |
| 17 | 26.05.2008 | 31.05.2008 | 15.39 | 13.33 | 14.36 |
| 18 | 02.06.2008 | 07.06.2008 | 13.50 | 12.00 | 12.75 |
| 19 | 09.06.2008 | 14.06.2008 | 12.50 | 11.00 | 11.75 |
| 20 | 16.06.2008 | 21.06.2008 | 13.00 | 12.20 | 12.60 |
| 21 | 23.06.2008 | 28.06.2008 | 12.30 | 11.60 | 11.95 |
| 22 | 30.06.2008 | 05.07.2008 | 12.84 | 10.51 | 11.68 |
| 23 | 07.07.2008 | 12.07.2008 | 11.25 | 10.60 | 10.93 |
| 24 | 14.07.2008 | 19.07.2008 | 11.70 | 11.12 | 11.41 |
| 25 | 21.07.2008 | 26.07.2008 | 11.97 | 10.74 | |
| 26 | 28.07.2008 | 02.08.2008 | 12.34 | 10.28 | |
| | Total | | 398.33 | 348.22 | 373.33 |
| | Average | | 15.32 | 13.39 | 14.36 |

CTC
 Howard Hotels Limited
Mamulcha
 Company Secretary

ALTERNATE 2

AVERAGE OF WEEKLY HIGH & LOW OF THE CLOSING PRICES OF THE SHARES QUOTED ON THE BOMBAY STOCK EXCHANGE DURING TWO WEEKS PRECEDING THE RELEVANT DATE (4TH AUGUST, 2008).

| Week | Date | | High (Rs.) | Low (Rs.) | Average (Rs.) |
|------|----------------|------------|--------------|--------------|---------------|
| | From | To | | | |
| 1 | 21.07.2008 | 26.07.2008 | 11.97 | 10.74 | 11.36 |
| 2 | 28.07.2008 | 02.08.2008 | 12.34 | 10.28 | 11.31 |
| | TOTAL | | 24.31 | 21.02 | 22.67 |
| | AVERAGE | | 12.15 | 10.51 | 11.34 |

The issue price of shares on preferential basis can be made at a price not less than higher of the above alternates.

| | (Amount in Rs. Per Share) |
|-------------|---------------------------|
| Alternate 1 | 14.36 |
| Alternate 2 | 11.34 |

Higher of the above: Rs.14.36

The above rates have been taken on the basis of information available at the web site of the Bombay Stock Exchange Limited as at 04.08.2008

For Ranu Rachna Jain & Co.,

Chartered Accountants

Sd/-

Ranu Jain

(Partner)

M. N. 401750

Place: New Delhi

Date: 04th August, 2008

CTC
For Ranu Rachna Jain & Co.
Ranu Rachna Jain
Company Secretary

| | | |
|-------------------------------------|---|------------------------------|
| BOARD OF DIRECTORS | NIRANKAR NATH MITTAL | CHAIRMAN & MANAGING DIRECTOR |
| | NIRVIKAR NATH MITTAL | DIRECTOR |
| | SHRI KANT MITTAL | DIRECTOR |
| | UDAY BHAN SINGH SIKARWAR | DIRECTOR |
| | RAVI KANT BANSAL | DIRECTOR |
| | PAWAN KUMAR | DIRECTOR |
| | PRAKASH CHAND GOYAL | DIRECTOR |
| | TARUN MITTAL | DIRECTOR |
| | HARIOM MAHESHWARI | DIRECTOR |
| | RAKESH KUMAR AGARWAL | DIRECTOR |
| AUDITORS | RANU RACHNA JAIN & CO., CHARTERED ACCOUNTANTS 30/129, CHIPITOLA ,AGRA | |
| BANKERS | INDIAN OVERSEAS BANK PUNJAB NATIONAL BANK CANARA BANK HDFC BANK LTD. | |
| REGISTRAR & SHARE TRANSFER AGENT | INTIME SPECTRUM REGISTRY LIMITED A-40, 2 ND FLOOR, NARAINA, INDUSTRIAL AREA, PHASE-II, NEAR BATRA BANQUET HALL, NEW DELHI-110028 | |
| HOTEL SITE | HOWARD PARK PLAZA FATEHABAD ROAD, AGRA (U.P.) | |
| REGISTERED OFFICE | 20, MAURYA COMPLEX B-28, SUBHASH CHOWK LAXMI NAGAR NEW DELHI-110092 E-Mail : cs@howardhotelslimited.com | |

Howard Hotels Limited

Regd. Off.: 20, Maurya Complex, B-28, Subhash Chowk
Laxmi Nagar, New Delhi-92

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of Howard Hotels Limited will be held on Thursday 04th day of September, 2008 at 9.30 A.M. at the Executive Club C/o Dolly Farms and Resorts Private Limited, 439, Village Shahoorpur, P.O. Fatehpurberi, New Delhi 110030 to transact the following business:

A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March 2008 and Profit and Loss Account and Cash Flow Statement for the year ended on that date together with the Report of Directors and Auditors thereon.
2. To Appoint a Director in place of Mr. Shri Kant Mittal, who retires by rotation and being eligible offers himself for reappointment.
3. To Appoint a Director in place of Mr. Pawan Kumar, who retires by rotation and being eligible offers himself for reappointment.
4. To Appoint a Director in place of Mr. Prakash Chand Goyal, who retires by rotation and being eligible offers himself for reappointment.
5. To Appoint M/s P.C. Bindal & Co., Chartered Accountants as Statutory 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 authorise the Board to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit to pass, with or without modification, following resolution as special resolution

“RESOLVED THAT pursuant to the provision of section 198,269,302,309,310 read with the provisions of the schedule XIII of the Companies Act,1956 and other applicable provision if any, of the Companies Act,1956 (including any statutory modifications or re-enactment thereof for the time being enforceable) the consent of the members of the Company be and is hereby granted to reappointment of Mr. Nirankar Nath Mittal as the Managing Director of the Company for a further period of three years with effect from 16th October, 2008, on the following terms and condition as approved by remuneration committee of the Board:

- (i) Term of re-appointment: 3 years w.e.f. 16th October, 2008
- (ii) Salary Rs. 1,95,000/- (One lacs Ninty five Thousand only) Per month.
- (iii) Perquisite:
 - (a) Contribution to the provident fund, family benefit fund, superannuation fund as per rules of the Company.
 - (b) Gratuity as per rules of the Company.”

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in it's absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration.”

7. To consider and if thought fit to pass, with or without modification, following resolution as special resolution

“RESOLVED THAT pursuant to the provision of section 198,269,302,309,310 read with the provisions of the schedule XIII of the Companies Act,1956 and other applicable provision, if any, of the Companies Act,1956 (including any statutory modifications or re-enactment thereof for the time being enforceable) the consent of the members of the Company be and is hereby granted to reappointment of Mr. Nirvikar Nath Mittal as the Whole time Director of the Company for a further period of three years with effect from 7th September, 2008, on the following terms and condition as approved by remuneration committee of the Board:

- (i) Term of re-appointment: 3 years w.e.f. 7th September, 2008
- (ii) Salary Rs. 1,80,000/- (One lac Eighty Thousand only) Per month.
- (iii) Perquisite:

- (a) Contribution to the provident fund, family benefit fund, superannuation fund as per rule of the Company.
- (b) Gratuity as per rules of the Company.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in it's absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration."

8. To consider and if thought fit to pass, with or without modification, following resolution as a special resolution

"RESOLVED THAT pursuant to the provision of section 198,269,302,309,310 read with the provisions of the schedule XIII of the Companies Act,1956 and other applicable provision, if any ,of the Companies Act,1956 (including any statutory modifications or re-enactment thereof for the time being enforceable) the consent of the members of the Company be and is hereby granted to reappointment of Mr. Shri Kant Mittal as the Whole Time Director of the Company for a period of five years with effect from 16th October, 2008, on the following terms and conditions as approved by remuneration committee of the Board:

- (i) Term of re-appointment: 5 years w.e.f. 16th October, 2008
- (ii) Salary Rs. 1,25,000/- (One lac Twenty Five Thousand only) Per month.
- (iii) Contribution to the provident fund, family benefit fund, superannuation fund as per rule of the Company.
- (iv) Gratuity as per rules of the Company."

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in it's absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration."

9. To consider and if thought fit to pass, with or without modification, following resolution as special resolution

"RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Delisting of securities) Guidelines, 2003 and subject to the provisions of the Securities Contract (Regulation) Act, 1956, Listing Agreement, Central Listing Authority and any other such consent, approval and any directions or modifications as may be issued by any regulating authorities, the consent of the members of the Company be and is hereby granted for Voluntary Delisting of Equity Shares of Rs. 10 each from the Delhi Stock Exchange and U.P. Stock Exchange.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to accept any terms and conditions as may be imposed by the Stock Exchanges, Central Listing Authority, SEBI or any regulating authorities and to settle all the question and matters arising out of and incidental to the proposed voluntary delisting of the Equity Shares of the Company from the above said stock exchanges and to take all necessary step including execution of all writing, which the Board, in its absolute discretion may consider necessary, proper or expedient for giving effect to the above said resolution."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as special resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and relevant provisions of the Memorandum and Articles of Association of the Company, and in accordance with listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed or proposed to be listed and subject to the approval of Securities and Exchange Board of India (hereinafter referred to as "SEBI"), Reserve Bank of India (hereinafter referred to as "RBI"), and subject to the Company obtaining all approvals, consents, permissions and sanctions as may be required from any and / or all governmental or regulatory authorities and / or all other institutions and bodies including Banks provided that such sanctions are acceptable to the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include any Committee of Directors constituted by the Board and authorized for this purpose), the consent and the approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot 18,00,000 Warrants at a price of Rs. 15/- per warrant carrying a right to subscribe to equal number of Equity Shares in the Company on conversion within a period of eighteen months from the date of allotment (herein after referred as Warrants) in cash aggregating to Rs.2,70,00,000/- which price is calculated in accordance with the Guidelines for preferential issue issued by SEBI under Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, with 4th August, 2008 being the relevant date i.e. the date 30 days prior to the date of General Meeting of the Company, where the proposed issue is to be considered.

RESOLVED FURTHER THAT the issue of warrants as mentioned above shall be subject to the following terms and conditions:

- a) That warrants so issued shall at the option of warrant holder be converted into Equal number of Equity Shares of

nominal value of Rs. 10/- each at a premium of Rs.5/- each, computed in accordance with Chapter No. XIII of Guidelines for Preferential issue of the SEBI (Disclosure and Investor Protection) Guidelines 2000 as amended from time to time, within a period of eighteen months from the date of allotment of warrants.

- b) That on the date of the allotment of warrants, allottees shall pay a minimum amount equivalent to 10% of the total consideration of warrants and balance shall be payable on or before the date of conversion of warrants into equity shares of the Company in one or more tranches.
- c) That the shares which are issued to promoter's associates shall be locked in for a period of 3 years, and that which are issued to any other persons/ body corporate(s) etc. shall be locked in for a period of 1 year or for such periods as provided in the SEBI Guidelines, provided that the lock in on the shares acquired by the conversion of warrants shall be reduced to the extent the warrants have already been locked in or for such periods as provided /required as per SEBI Guidelines in this regard.
- d) That the Equity Shares to be issued shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing Equity Shares of the Company and carry the same rights as of then existing Equity Shares of the Company including dividend declared, if any, by the company in respect of the financial year in which the shares will be allotted.
- e) The issue and allotment of the Equity Shares/Warrants convertible into Equity Shares shall be subject to compliance of the Disclosure and Investor Protection Guidelines (DIP Guidelines) issued by SEBI as applicable from time to time.
- f) In terms of the said DIP Guidelines, the relevant date on the basis of which price of the equity shares calculated, is 04.08.2008

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or any other officer or officers of the Company to give effect to the aforesaid resolution including to execute any document on behalf of the Company and to represent the Company before any governmental authorities and to appoint any professional advisor/ consultants/ Lawyers.

RESOLVED FURTHER THAT subject to SEBI guidelines and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the issue of above mentioned Equity Shares/ Warrants and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable, for such purpose, including without limitation to enter into arrangements/ agreements and to settle all questions, difficulties or doubts that may arise in regard to such issue as the Board, in its absolute discretion deem fit and take all steps which are incidental, consequential, relevant or ancillary in this connection."

11. To consider and if thought fit to pass, with or without modification, following resolution as an ordinary resolution:

"RESOLVED that pursuant to provisions of Section 16, 94(1) (a) and all other applicable provisions, if any, of the Companies Act, 1956, authorized share capital of the company be and is hereby increased from Rs. 8,00,00,000/- (Rupees Eight Crore only) divided into 80,00,000 equity shares of Rs. 10/- each to Rs.10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each.

RESOLVED FURTHER THAT existing clause V of the Memorandum of Association of the Company as to share capital be and is hereby substituted in its place, and stand by the following.

- V. "The Authorised share capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) Equity shares of Rs. 10/- (Rupees Ten) each".

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

12. To Consider and, if thought fit, to pass with or without modification(s), the following resolution as Special Resolution. :

"Resolved that subject to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act 1956, the Articles of Association of the Company be and is hereby altered by substituting the existing clause No. "3" by the following clause:

The Authorised share capital of the company shall be such amount and be divided into such shares as may from time to time provided under clause No. V of the Memorandum of Association of the company which is capable of being increased or decreased in accordance

with the Company's regulation and the provisions of the Companies Act 1956 for the time being in force in that behalf with the power to divide the share capital whether original or increased or into several classes and attach thereto respectively such ordinary, preferential or decreased special rights and conditions in such a manner as may for the time being be provided by the regulations of the Company and allowed by the act.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

NOTES

1. The relative explanatory statement, pursuant to section 173(2) of the Companies Act, 1956, in respect of the business under item No. 6 to 12 is annexed hereto.
2. The register of the members and share transfer books of the Company shall remain closed from 01st day of September, 2008 to 04th day of September, 2008(both days inclusive).
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The instrument appointing the proxy must reach the registered office of the Company, **NOT LATER THAN 48 HOURS** before the time fixed for holding the meeting.
4. Corporate members are requested to send a duly certified copy of the Board resolution authorising representative to attend and vote at the annual general meeting.
5. Members/ proxies should bring the attendance slip sent herewith duly filled in for attending the meeting along with their copies of annual reports to the meeting.
6. Members desiring any information on the accounts are requested to write to the Company at its registered office **at least 6 days before the date of the Annual General Meeting** to enable the management to collect and keep the information ready.
7. Members are requested to kindly notify the company of any change in their address so as to enable the Company to address future communication to their changed addresses.
8. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
9. Details of Directors pursuant to clause 49 of the Listing Agreement:

| Particulars | Name Of Directors | | | | |
|--|-------------------|---------------|--------------------|---------------------------------|---|
| | Shri Kant Mittal | Pawan Kumar | Praksh Chand Goyal | Nirankar Nath Mittal | Nirvikar Nath Mittal |
| Date of Birth | 26-03-1976 | 01-04-1961 | 05-06-1937 | 15-05-1952 | 21-07-1953 |
| Date of appointment | 04-01-2003 | 15-03-2004 | 15-03-2004 | 14-06-2003 | 07-09-2003 |
| Expertise in specific areas | Hotel & Tourism | Marketing | Human Resources | Hotel & Tourism, Administration | Hotel & Tourism, Renovation & Development |
| Qualifications | M.Com, M.B.A. | Post Graduate | Graduate | M.Com | M.Com |
| List of other Indian Public Limited Companies in which Directorship held | - | - | - | - | - |
| Shareholdings in the company as on 31.03.2008 | 62,000 | - | - | 109000 | 121600 |

Place: New Delhi

Dated: 04th August, 2008

Registered office
20, Maurya Complex
B-28, Subhash Chowk
Laxmi Nagar, New Delhi-92

By order of the Board

S/d

(Shri Kant Mittal)
Whole Time Director

Explanatory Statement:

Explanatory Statement pursuant to provisions of the section 173 of the Companies Act, 1956, in respect of the Special Business:

Item No.6

Mr. Nirankar Nath Mittal was appointed by the Company as Managing Director of the Company for a period of five years w. e. f. 16-10-2003 and his term of appointment shall expire on 15th October, 2008. The Board at their 04th August, 2008, has, based on the recommendation of the remuneration committee for the reappointment, terms & conditions and remuneration, approved reappointment of Mr. Nirankar Nath Mittal for a further period of 3 years w.e.f. 16 October, 2008. Considering his vast experience, good qualification and contribution he has made during his tenure for the smooth functioning of the Company your directors consider that his appointment shall be in the best interest in the Company.

Except Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mr. Shrikant Mittal none of the directors of the Company is interested or concerned in the resolution.

Statement as per Clause I B(iv) of Section II of part II of Schedule XIII of the Companies Act, 1956 is enclosed with the Notice.

Item No.7

Mr. Nirvikar Nath Mittal was appointed by the Company as Whole Time Director of the Company for a period of five years w. e. f. 7-09-2003 and his term of appointment shall expire on 06th September, 2008. The Board at their meeting held on 04th August, 2008, has, based on the recommendation of remuneration committee for the reappointment, terms & conditions and remuneration, approved reappointment of Mr. Nirvikar Nath Mittal for a further period of 3 years w.e.f. 07th September, 2008. Mr. Nirvikar Nath Mittal, has adequate experience and qualifications. Considering his past experience in the management of the affairs of the Company, your Directors consider that his appointment shall be in the best interest in the Company.

Except Mr. Nirvikar Nath Mittal, Mr. Nirankar Nath Mittal and Mr. Shri Kant Mittal none of the directors of the Company is interested or concerned in the resolution.

Statement as per Clause I B(iv) of Section II of part II of Schedule XIII of the Companies Act, 1956 is enclosed with the Notice.

Item No.8

Mr. Shri kant Mittal was appointed by the Company as Whole Time Director of the Company for a period of five w. e. f. 16-10-2003 and his term of appointment shall cease on 15th October, 2008. The Board at their meeting held on 04th August, 2008, has based on the recommendations of remuneration committee for the reappointment, terms & conditions and remuneration, approved reappointment of Mr. Shri kant Mittal for a further period of 5 years w.e.f. 16 October, 2008. Mr. Shri kant Mittal, has adequate experience and qualifications. Looking into his past experience in the management of the affairs of the Company, your Directors consider that his appointment shall be in the best interest in the Company.

Except Mr. Shri Kant Mittal, Mr. Nirvikar Nath Mittal, Mr. Nirankar Nath Mittal, none of the directors of the Company is interested or concerned in the resolution.

Item No.9

The Company's Equity Shares are enlisted with the Mumbai, Delhi, and U.P. Stock Exchange; there is no trading or negligible trading of Equity Shares since listing at the Delhi and U.P. Stock Exchange. However, the company shares are being regularly traded at the Mumbai Stock Exchange. In terms SEBI (Delisting of securities) Guidelines, 2003, announced by the SEBI, now the Companies have been permitted for voluntary delisting of shares including from Regional Stock Exchange, subject to the compliance of the terms and condition of the said guidelines. The board considers that the Mumbai Stock Exchange is having nationwide trading terminals and the investors have access to trade and to dealing company's shares across the country.

Equity shares of the company listed on the Delhi stock exchange and U.P. stock exchange are not providing any significant tangible advantage to the share holders and investors of the Company.

Therefore, the Board at their Meeting held on 04th August, 2008, has considered to recommend for voluntary delisting of the Company's equity shares from the Delhi and U.P. stock exchanges and continue it's listing only with the Stock Exchange Mumbai to avoid unnecessary financial and administrative burden due to multiple compliance of these various clauses of the listing agreement from time to time and to provide better services to the investor through the nationwide stock exchange terminal.

Your Director recommended to pass said resolution as a special resolution as set out in item no. 9 of special business of the notice, for voluntary delisting of the shares of the company from the said stock exchanges.