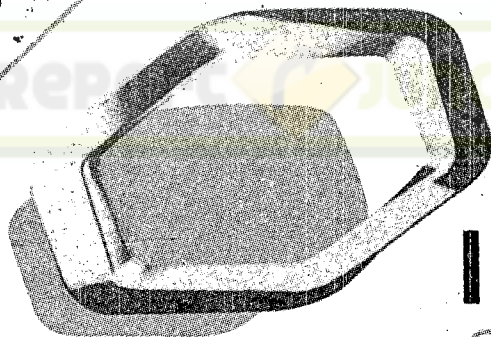


2007 - 2008



IMFA
GROUP

INDIAN METALS & FERRO ALLOYS LIMITED

46th Annual Report

INDIAN METALS & FERRO ALLOYS LIMITED**BOARD OF DIRECTORS****Executive Chairman**

DR. B PANDA

Vice Chairman

MR. BAIJAYANT PANDA

Managing Director

MR. SUBHRAKANT PANDA

Director (Corporate)

MR. J K MISRA

Directors

MRS. PARAMITA MAHAPATRA

MR. G L TANDON, Padma Bhushan

MR. D BANDYOPADHYAY

MAJOR R N MISRA (RETD.)

MR. A KHANDUAL (Nominee Director of IDBI)

DR. S ACHARYA

MR. N R MOHANTY, Padma Shri

MR. S K PATTANAIK

MR. ALEXIUS MARKUS AMREIN

MR. S P MATHUR

GENERAL SHANKAR ROYCHOWDHURY (RETD.)

**SR. VICE PRESIDENT (FINANCE) &
COMPANY SECRETARY**

MR. REM KHANDELWAL

AUDITORS

M/s. RAGHU NATH RAI & CO.

Chartered Accountants

New Delhi

BANKERS

Indian Overseas Bank

State Bank of India

TERM LENDERS

Industrial Development Bank of India Limited

IFCI Limited

ICICI Bank Limited

Indian Overseas Bank

Canara Bank

Punjab National Bank

Vijaya Bank

Union Bank of India

Andhra Bank

Central Bank of India

REGISTERED OFFICE

Bomikhal, P.O. : Rasulgarh

Bhubaneswar - 751 010

Orissa.

PLANTS

Therubali, Dist. : Raygada, Orissa

Choudwar, Dist. : Cuttack, Orissa.

MINES

Sukinda, Dist. : Jajpur, Orissa.

Nuasahi, Dist. : Keonjhar, Orissa

Mahagiri, Dist. : Jajpur, Orissa.

Bangur, Dist. : Keonjhar, Orissa

**46th Annual General
Meeting**

On Tuesday, the 17th June, 2008
at the Registered Office of the
Company at Bomikhal,
P.O. : Rasulgarh
Bhubaneswar - 751 010
at 12.00 Noon

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REGISTRATION & SHARE TRANSFER WORK

Members are requested to correspond directly with Company
Secretary at the Registered Office of the Company
e-mail : pkhandelwal@imfa.in

INDIAN METALS & FERRO ALLOYS LIMITED**NOTICE**

Notice is hereby given that the 46th Annual General Meeting of the members of INDIAN METALS & FERRO ALLOYS LIMITED will be held at the Registered Office of the Company at Bomikhal, PO: Rasulgarh, Bhubaneswar – 751 010, Orissa on Tuesday, the 17th June, 2008 at 12.00 Noon to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited accounts of the Company for the year ended 31st March 2008 along with the reports of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mrs. Paramita Mahapatra who retires by rotation and being eligible, offers herself for re-election.
4. To appoint a Director in place of Maj. R N Misra (Retd.) who retires by rotation and being eligible, offers himself for re-election.
5. To appoint a Director in place of Mr. Alex Amrein who retires by rotation and being eligible, offers himself for re-election.
6. To appoint Auditors for the financial year 2008-2009 on a remuneration to be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

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

“RESOLVED that Mr. S P Mathur, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28th October, 2007 and who holds office under Section 260 of the Companies Act, 1956 until the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.

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

“RESOLVED that General Shankar Roychowdhury (Retd.), who was co-opted as an Additional Director of the Company by the Board of Directors with effect from 21st January, 2008 and who holds office under Section 260 of the Companies Act, 1956 until the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE SUPPORTED BY PROXY FORM (SENT HERewith) WHICH SHOULD BE LODGED WITH THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of business mentioned under items 7 to 8 is annexed hereto.
3. Disclosure pursuant to clause 49 of the listing agreement with respect to the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting is given in the annexure.
4. The register of members of the Company shall remain closed from 2nd June, 2008 to 17th June, 2008, both days inclusive.
5. Dividend, if declared, will be paid to those members whose names shall appear on the Register of members as on 17th June, 2008 in respect of those Shareholders holding the shares in physical form. In respect of dematerialised shares, the dividend will be payable on the basis of beneficial ownership as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose as on that date.
6. Members are requested to furnish their Bank Account details, change of address etc. to the Company in respect of shares held in physical form. If the shares are held in electronic form, then the said particulars should be furnished to their respective Depository Participants (DPs).

INDIAN METALS & FERRO ALLOYS LIMITED

7. (a) Members holding the shares in electronic mode may please note that their dividend would be paid through Electronic Clearing Services (ECS) wherever available. The dividend would be credited to their bank account as per the mandate given by the members to their DPs. In the absence of availability of ECS facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations.
- (b) Members are requested to send their Bank Account particulars (viz. Account No., Name & Branch of the Bank and the MICR Code) to their DPs in case the shares are held in electronic mode or to Company in case the shares are held in physical mode for printing on dividend warrant to ensure that there is no fraudulent encashment.
8. Members who desire to have any information/clarification as regards the audited annual accounts for the year ended 31st March, 2008 are requested to write to the Company Secretary at least 7 days before the date of meeting.
9. Members are requested to bring their copy of the Annual Report along with attendance slip (sent herewith).
10. The Company has complied with all provisions relating to unpaid dividends of the previous years under section 205A and other applicable provisions of the Companies Act, 1956.
11. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during working hours on any working day till the date of this Annual General Meeting.
12. The Board recommends Resolutions 1 to 8 above for the approval of the Members.

BY ORDER OF THE BOARD OF DIRECTORS
FOR INDIAN METALS & FERRO ALLOYS LIMITED

(PREM KHANDELWAL)
SR. VICE PRESIDENT (FINANCE)
& COMPANY SECRETARY

New Delhi
2nd May, 2008

ANNEXURE TO NOTICE**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956****Item No. 7**

Mr. S P Mathur was appointed as an Additional Director with effect from 28th October, 2007 by the Board of Directors. Pursuant to Section 260 of the Companies Act, 1956, Mr. S P Mathur holds office of Director upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member along with the requisite deposit proposing the candidature of Mr. S P Mathur for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Details regarding Mr. S P Mathur and his brief resume are given in the Annexure attached to the Notice. Keeping in view the experience and expertise of Mr. S P Mathur, his appointment as Director is recommended. None of the Directors, except Mr. S P Mathur, are concerned or interested in the resolution under Item 7.

Item No. 8

General Shankar Roychowdhury (Retd.) was co-opted as an Additional Director with effect from 21st January, 2008 by the Board of Directors. Pursuant to Section 260 of the Companies Act, 1956. General Shankar Roychowdhury holds office of Director upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member along with the requisite deposit proposing the candidature of General Shankar Roychowdhury for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

The details regarding General Shankar Roychowdhury (Retd.) and his brief resume are given in the Annexure attached to the Notice. Keeping in view the experience and expertise of General Shankar Roychowdhury (Retd.), his appointment as Director is recommended.

None of the Directors, except General Shankar Roychowdhury (Retd.), are concerned or interested in the resolution under Item 8.

BY ORDER OF THE BOARD OF DIRECTORS
FOR INDIAN METALS & FERRO ALLOYS LIMITED

(PREM KHANDELWAL)
SR. VICE PRESIDENT (FINANCE)
& COMPANY SECRETARY

New Delhi
2nd May, 2008

INDIAN METALS & FERRO ALLOYS LIMITED**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

<p>1. Mrs. Paramita Mahapatra Father's Name Date of Birth Nationality Date of Appointment Qualifications</p> <p>Expertise in specific functional areas</p> <p>Directorships held in other Companies</p> <p>Member of Committees of the Board</p> <p>Member of Committees in other Companies</p> <p>Shares held in the Company</p>	<p>Dr. B. Panda 19th January, 1965 Indian 27th May, 1985 Post Graduate Degree in Personal Management & Labour Welfare from Utkal University. A Gold Medalist having secured the first position in Post Graduation.</p> <p>Vast and rich experience in the field of Human Resources, Ferro Alloys and Corporate Management.</p> <ol style="list-style-type: none"> 1) Utkal Manufacturing & Services Ltd. Managing Director 2) Goal Oriented Advisory & Legal Services Pvt.Ltd. 3) B.Panda & Co. Pvt. Ltd. 4) Orissa Media Ventures Pvt. Ltd. 5) Paramita Invt. & Trdg. Co.Pvt. Ltd. 6) Barabati Invt. & Trdg. Co. Pvt. Ltd. 7) K.B.Investments Pvt. Ltd. 8) Madhuban Investments Pvt.Ltd. 9) Paramita Realtors Pvt. Ltd. 10) Orissa Television Ltd. 11) Utkal Housing and Infrastructure Development Ltd. 12) Utkal Green Energy Ltd. 13) Barunei Farm & Nature Resorts Pvt. Ltd. 14) Star One Projects Pvt. Ltd. 15) Commercial City Center Pvt. Ltd. <p>Audit Committee, Shareholder/Investor Grievance Committee.</p> <p>Nil</p> <p>205095</p>
<p>2. Maj. R.N. Misra (Retd.) Father's Name Date of Birth Nationality Date of Appointment Qualifications</p> <p>Expertise in specific functional areas</p> <p>Directorships held in other Companies</p> <p>Member of Committees of the Board</p> <p>Member of Committees in other Companies</p> <p>Shares held in the Company</p>	<p>Late Lingaraj Misra 14th March, 1938 Indian 30th September, 1993 Degree in Engineering (First Class) from the College of Military Engineering, Pune and obtained MBA degree from University of Pune with First Class with distinction. He is a fellow member of the Institution of Engineers India. He is also a certified Chartered Engineer.</p> <p>Vast and rich experience in the field of Ferro Alloys, Mining, Power and Corporate Management.</p> <p>NIL</p> <p>Audit Committee, Remuneration Committee.</p> <p>NIL</p> <p>NIL</p>

INDIAN METALS & FERRO ALLOYS LIMITED

<p>3. Mr. Alex Amrein Father's Name Date of Birth Nationality Date of Appointment Qualifications</p> <p>Expertise in specific functional areas</p> <p>Directorships held in other Companies</p> <p>Member of Committees of the Board Member of Committees in other Companies Shares held in the Company</p>	<p>Mr. Josef Amrein 3rd August, 1936 Swiss 21st January, 2006 Degree in Chemistry & Economics from the University of Zurich and a Diploma (Commerce & Trade) Swiss Association of Business Schools Vast and rich experience in the field of metal trading, engineering consultancy and corporate management.</p> <p>Litec Aktiengesellschaft</p> <p>NIL NIL NIL (in his individual capacity) Litec Aktiengesellschaft holds 3844259 equity shares and he represents the said Company as a Nominee on the Board.</p>
<p>4. Mr. S P Mathur Father's Name Date of Birth Nationality Date of Appointment Qualifications</p> <p>Expertise in specific functional areas</p> <p>Directorships held in other Companies Member of Committees of the Board Member of Committees in other Companies Shares held in the Company</p>	<p>Late J. Sahai 12th October, 1946 Indian 28th October, 2007 B.Com., CA</p> <p>Vast and rich experience in accounts, corporate laws, finance and corporate management. Orissa Media Ventures Pvt. Ltd. NIL NIL NIL</p>
<p>5. General Shankar Roychowdhury (Retd.) Father's Name Date of Birth Nationality Date of Appointment Qualifications</p> <p>Expertise in specific functional areas</p> <p>Directorships held in other Companies Member of Committees of the Board Member of Committees in other Companies Shares held in the Company</p>	<p>Late Sunil Chandra Roychowdhury 6th September, 1937 Indian 21st January, 2008 Graduate of National Defence Academy, Indian Military Academy, Defence Services Staff College, Army War College, National Defence College and also Doctorate D. Litt. (Honoris CAVSA). Former Chief of Army Staff, Indian Army, former Member of Parliament, Rajya Sabha. NIL NIL NIL NIL</p>

INDIAN METALS & FERRO ALLOYS LIMITED**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors are pleased to present the 46th Annual Report together with Audited Statement of Accounts of the Company for the financial year ended 31st March, 2008.

FINANCIAL RESULTS

	(Rs. in crores)	
	<u>2007-08</u>	<u>2006-07</u>
1. Gross sales:	759.69	593.53
Less : Excise Duty	29.82	39.39
Net Sales	729.87	554.14
2. Other Income	27.57	17.37
Total Revenue	757.44	571.51
3. Profit before interest, depreciation and taxation	302.11	140.79
4. Interest	43.97	47.87
5. Depreciation	40.54	41.68
6. Profit before Tax	217.60	51.24
7. Tax including Deferred Tax & FBT	112.80	31.25
8. Profit after Tax	104.80	19.99
9. Balance brought forward from previous year	8.75	---
10. Amount available for appropriation	113.55	19.99
11. Proposed dividend (including Tax on dividend)	19.95	6.24
12. Transfer to General Reserve	50.00	5.00
13. Balance carried forward	43.60	8.75

The year under review has been a path-breaking one for your Company with new records being set in as much as turnover, profit after tax, foreign exchange earnings and net worth is concerned. Gross sales increased by 28% to Rs 759.69 crores including record export earnings of Rs 541.52 crores which was higher by 70.43% (previous year : Rs 317.74 crores). While Profit before Interest, Depreciation and Taxes increased by 114.58% to Rs 302.11 crores (previous year : Rs 140.79 crores), Profit after Tax surged by 424.26% to an all-time record of Rs 104.80 crores (previous year : Rs 19.99 crores).

DIVIDEND

In view of the excellent performance during the year under review, your Directors are pleased to recommend a dividend of 80% (Rs 8/- per share) for the year ended 31st March 2008 subject to approval of the shareholders at the forthcoming Annual General Meeting and other necessary approvals.

LISTING

A Division Bench of the Hon'ble Orissa High Court vide its Order dated 22nd August 2007 has dismissed the appeal filed by two shareholders of erstwhile ICCL challenging the composite Scheme of Arrangement & Amalgamation and accordingly, upheld the merger. As a result, the Company has dispatched/credited the shares and is in the process of relisting its shares on the Bombay Stock Exchange. A Special Leave Petition has been filed by the said two shareholders of erstwhile ICCL before the Hon'ble Supreme Court of India which has, however, declined to pass any interim order.

OPERATIONS**Ferro Alloys**

During the year under review Ferro Chrome production, including tonnage obtained under a conversion contract with an Associate Company, increased by 30.49% to 170,370 tonnes (previous year : 130,563 tonnes). However, as a result of a deliberate strategy to maximize ferro chrome production, Ferro Silicon production declined by 47.60% to 16,137 tonnes (previous year : 30,796 tonnes).

Electricity

Your Company registered a gross generation of 786 million units during the year under review (previous year : 821 mu) which translates to a plant load factor of 89% on MER basis. This is indeed creditable given the difficulty faced in sourcing coal despite having signed a Fuel Supply Agreement with Mahanadi Coalfields Ltd. Efforts are being made to procure coal from other sources even though it entails higher cost while also pursuing with MCL to meet the full requirement.

INDIAN METALS & FERRO ALLOYS LIMITED**Mining**

The quantum of chrome ore raised from the captive mines operated by your Company increased by 29.57% to 418,544 tonnes (previous year : 323,020 tonnes) which was in line with the increased requirement on account of higher ferro chrome production. It is important to note that your Company has consistently followed in letter and spirit the practice of value addition thus maximizing both employment and revenue contribution to the State Exchequer.

As regards allotment of further mining lease(s), Government of Orissa has recommended afresh to Government of India to reserve the entire balance area in Sukinda Valley in favour of Orissa Mining Corporation (OMC). This is despite the fact that OMC has failed to properly exploit the vast areas already allotted in its favour. Your Company and several other potential claimants have objected against the reservation in favour of OMC before the Hon'ble Orissa High Court which has been pleased to pass an interim order restricting the Government of Orissa from taking such a step.

Given the increased focus on Ferro Chrome production, raw material security is of paramount importance to your Company. Accordingly, your Directors will continue to vigorously pursue the allotment of balance 50% area and shall take all necessary steps to protect your Company's interest.

MARKET CONDITIONS & FUTURE OUTLOOK

The price of Ferro Chrome in the international market has witnessed a sharp increase during the year under review on account of strong demand, tight supply and steep increase in various input costs. The demand for ferro chrome, largely determined by stainless steel production, was strong during the year as high nickel prices saw a shift towards ferritic stainless steel. China registered a 36% growth in production in 2007 vis-à-vis 2006 as it firmly established itself as the largest stainless steel producer in the world and more than made up for a destocking phase witnessed in other major markets.

Coupled with an emerging electricity crisis in South Africa which is expected to curtail ferro chrome production by 10-15% in the short term and little or no capacity addition in the medium term, the outlook for ferro chrome remains bullish. Furthermore, with per capita consumption of stainless steel in India being much below the world average or indeed that of China, even a moderate increase will result in a significant boost to domestic ferro chrome demand. As such, barring unforeseen circumstances, your Company is poised to reap the rewards of strong market conditions.

AWARDS & RECOGNITIONS

During the year under review :

- (a) Your Company has been recognized as "Outstanding Supplier of the year 2007" by Posco for the reliable supply of ferro chrome.
- (b) Your Company's Choudwar unit has received the prestigious State Level Award for "Best performance in Safety, Health and Environment Management" for the year 2006.

ENERGY CONSERVATION, ETC:

The information required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in an annexure hereto forming part of this report.

SUBSIDIARY COMPANIES

Indian Metals & Carbide Ltd, a subsidiary of your Company, has reported a net loss of Rs 9.93 lakhs as against a net loss of Rs 9.50 lakhs during the previous year. In view of the loss, the Board of Directors of the said Company have not proposed any dividend. Particulars in respect of this Company pursuant to Section 212 of the Companies Act, 1956 are appended to the Balance Sheet.

INDIAN METALS & FERRO ALLOYS LIMITED

Utkal Power Limited, a subsidiary of your Company, is yet to begin its operations. Hence no Profit & Loss Account has been prepared. Particulars in respect of this Company pursuant to Section 212 of the Companies Act, 1956 are appended to the Balance Sheet.

NEW PROJECTS

Civil work of the 30 MW dual fuel power plant is progressing in full swing and, as such, the project is expected to be commissioned on schedule.

Your Company is evaluating various options to ramp up existing ferro alloys capacity so as to benefit from the prevailing market conditions. Besides, your Directors are also pursuing investments in related ventures such as coal mining and coal-based power plant(s). Accordingly, an SPV by the name of Utkal Power Ltd has been formed to implement a 120 MW power plant and it is proposed to take a stake in Utkal Coal Ltd which is developing a captive coal block.

PARTICULARS OF EMPLOYEES

As required under sub-section 2A of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended up to date, particulars of the employees are given in the statement annexed to the report.

PUBLIC DEPOSITS

The Company has stopped accepting/renewing public deposits with effect from 27th September 2006. Deposits outstanding as on 31st March, 2008 were Rs 414.37 lakhs. There are no unclaimed deposits pending repayment. The Company has complied with the provisions of Companies (Acceptance of Deposits) Rules, 1975 as amended till date and other applicable laws for the time being in force.

OBSERVATIONS OF THE AUDITORS

Observations of the Auditors on the audited annual accounts of the Company have been dealt with in the Notes to the Accounts annexed as Schedule 'N' which are self-explanatory and do not require any further clarification.

DIRECTORS

Mrs. Paramita Mahapatra, Maj. R N Misra and Mr. Alex Amrein retire by rotation at the forthcoming Annual General Meeting of the Company and are eligible for re-election. The proposals regarding their re-appointments as Directors are placed for your approval.

The term of Mr. S P Mathur, Director (Finance) expired on 27th October 2007 and he was appointed as an Additional Director by the Board with effect from 28th October 2007 in accordance with Article 91 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956. He will hold office as such upto the date of forthcoming Annual General Meeting of the Company. The Company has received a notice from a member pursuant to Section 257 of the Companies Act, 1956 signifying intention to propose him for the office of Director.

General Shankar Roychowdhury (Retd.) was co-opted as an Additional Director of the Company by the Board of Directors on 21st January, 2008. As such, he will hold office upto the date of forthcoming Annual General Meeting of the Company. The Company has received a notice from a member pursuant to Section 257 of the Companies Act, 1956 signifying intention to propose him for the office of Director.

Brief resume/details relating to Directors who are to be re-appointed are furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting as required under the Code of Corporate Governance.

INDIAN METALS & FERRO ALLOYS LIMITED**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for the year under consideration;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) they have prepared the annual accounts of the Company for the financial year ended 31st March, 2008 on a going concern basis.

AUDITORS

M/s Raghu Nath Rai & Co, Chartered Accountants, the Auditors of the Company who are to retire at the ensuing Annual General Meeting, being eligible offer themselves for re-appointment. The Company has received a certificate to the effect that their re-appointment, if made, shall be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Although Clause 49 of the Listing Agreement is not applicable to your Company as the Company's shares are yet to be listed, your Company has fully complied with the requirements of the Code of Corporate Governance of the Listing Agreement.

Pursuant to Clause 49 of the Listing Agreement, a report on the Corporate Governance, Management Discussion and Analysis, Auditors' Certificate regarding compliance of conditions of Corporate Governance and CEO & CFO certification have been made a part of the Annual Report.

INDUSTRIAL RELATIONS

During the year under report, industrial relations at the Company's plants situated at Therubali and Choudwar as well as at the Mines remained cordial.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation of the devoted services rendered by the entire workforce during the year under review. Further, your Directors would also like to recognize and appreciate the support received from IDBI Bank, ICICI Bank, IFCI, Consortium of term lending banks led by Indian Overseas Bank and working capital bankers, Indian Overseas Bank and State Bank of India. Last but certainly by no means least, your Company would like to thank its shareholders, customers and the public at large for their continued support and confidence.

For and on behalf of the Board

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: New Delhi

Date : 2nd May, 2008