

INDUSTRIAL INVESTMENT TRUST LIMITED



IIT GROUP

Annual Report 2007-2008



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Shareholders are requested to bring the copy of the Annual Report alongwith them to the General Meeting



INDUSTRIAL INVESTMENT TRUST LIMITED

BOARD OF DIRECTORS :

| | | |
|---------------------|---|---|
| DR. B. SAMAL | - | <i>Chairman</i> |
| MR. BIPIN AGARWAL | | |
| MR. SWARAN SINGH | | |
| MR. T.M. NAGARAJAN | | |
| MRS. THANKOM MATHEW | - | <i>Nominee of LIC of India</i> |
| MRS. CUMI BANERJEE | - | <i>Vice President (Legal) & Company Secretary</i> |

BANKERS :

| |
|---------------------|
| Axis Bank Limited |
| ICICI Bank Limited |
| Union Bank of India |
| IndusInd Bank Ltd. |

AUDITORS :

| |
|---|
| A.F. Ferguson & Co. |
| Deloitte Haskins & Sells (proposed to be appointed for F.Y. 2008-2009) |

REGISTRAR & SHARE TRANSFER AGENTS :

| |
|--------------------------------------|
| Intime Spectrum Registry Limited |
| C - 13, Pannalal Silk Mills Compound |
| L.B.S. Marg, Bhandup (W) |
| Mumbai 400 078 |

REGISTERED OFFICE :

| |
|-------------------------------------|
| 14E, Rajabhadur Mansion, 2nd Floor, |
| 28, Bombay Samachar Marg |
| Mumbai - 400 001 |



IIT GROUP

NOTICE

NOTICE is hereby given that the Seventy Fifth Annual General Meeting of the Members of the Company will be held at **M.C. Ghia Hall, 2nd floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001 on Saturday, September 27, 2008 at 3.00 p.m.** to transact the following business :

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2008 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and the Auditors.
2. To declare dividend for the year ended March 31, 2008.

Special Business :

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

"RESOLVED THAT subject to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Deloitte Haskins & Sells, Chartered Accountants be and are hereby appointed 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, in place of M/s. A.F. Ferguson & Co., Chartered Accountants to examine and audit the accounts of the Company for the financial year 2008-2009, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

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

"RESOLVED THAT Mr. Bipin Agarwal, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company, 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, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT Mr. Swaran Singh, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company, 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, proposing his candidature for the office of Director, be

and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT Dr. B. Samal, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company, 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, 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 Mr. T.M. Nagarajan, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company, 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, proposing his candidature for the office of 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 a Special Resolution:

"RESOLVED THAT subject to the provisions of Section 309 (4) and other applicable provisions of the Companies Act, 1956 the consent of the shareholders be given for payment of remuneration to the Non-Executive Directors of the Company in the form of monthly remuneration or commission as the Board of Directors may decide from time to time subject to ceilings provided under the Companies Act 1956 and subject to approval of the Central Government or any other statutory approval as may be required for giving effect to this resolution."

By Order of the Board,
For **Industrial Investment Trust Limited**

Cumi Banerjee
Vice President (Legal) &
Company Secretary

Mumbai : June 30, 2008

Registered Office :

14E, Rajabhadur Mansion, 2nd Floor,
28, Bombay Samachar Marg
Mumbai 400 001

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is enclosed and forms part of the Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 20, 2008 to Saturday, September 27, 2008 (both days inclusive).
4. The dividend on Equity Shares as recommended by the Board, if declared at the Annual General Meeting, will be payable on or before October 26, 2008 to those shareholders or their mandates whose names stand on the Register of Members after giving effect to all valid transfer deeds in physical form lodged with the Company on or before September 19, 2008 and 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 and Central Depository Services (India) Limited for the purpose as on the close of business hours on September 19, 2008.
5. Dividend in respect of shares held in dematerialised form shall be credited to the beneficial owner's bank account directly through Electronic Clearing Services (ECS) subject to availability of bank account details and 9 digits MICR code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

Members holding shares in physical form and desirous of availing ECS facility, should provide the bank details and 9 digits MICR code number.
6. Members are requested to send all correspondences relating to shares including requests for transfer, change of address, change of status, change of mandate, Bank Account details to our Registrar and Share Transfer Agents: M/s. Intime Spectrum Registry Limited having their office at C - 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, Tel. No.: 2596 3838. In respect of shares held in dematerialised mode the shareholders should inform their concerned Depository Participant only.
7. In all the correspondences with the Company / Registrar and Share Transfer Agents, the members holding in physical form are requested to quote their account / folio numbers and in case their shares are held in the dematerialised form, they must quote their Client ID Number and their DP ID Number.
8. Members are requested to bring the copy of their Annual Report and the Attendance Slip at the Annual General Meeting.
9. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
10. In accordance with the provisions of Section 205A of the Companies Act, 1956 the Company has transferred unclaimed dividends in September, 1998 for the year ended March 31, 1995 to the General Revenue Account of the Central Government. Members concerned may, therefore, submit their claims in the prescribed form to the Office of Registrar of Companies, Central Government Office Building, 'A' Wing, 2nd Floor, Next to Reserve Bank of India, CBD, Belapur - 400 614.
11. In terms of section 205A and 205C of the Companies Act, 1956 any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the Investor Education and Protection Fund (IEPF). The Company has therefore, transferred unclaimed dividend on September 8, 2007 for the year ended March 31, 2000 to the IEPF Account of the Central Government. Members who have not encashed their divided warrants for the year 2000-01 or thereafter are requested to write to the Company / Registrars and Share Transfer agents. **Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**
12. As per the provisions of the Companies Act, 1956 facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company.



**Details of the directors seeking appointment at the
forthcoming Annual General Meeting
[In pursuance of Clause 49 of the Listing Agreement]**

| Name of the Director | Mr. Bipin Agarwal | Mr. Swaran Singh | Dr. B. Samal | Mr. T.M. Nagarajan |
|---|---|---|---|---|
| Date of Birth | 1.11.1965 | 10.2.1954 | 2.3.1943 | 14.9.1942 |
| Nationality | Indian | Indian | Indian | Indian |
| Date of Appointment | 8.1.2008 | 8.1.2008 | 5.3.2008 | 5.3.2008 |
| Qualifications | B.Com, ACS | Under Graduate | M.Sc. (Ag.), Ph.D (Economics), Post Graduate Diploma in Bank Management conducted by NIBM, Pune | M.Com, CAIIB |
| Expertise in specific functional areas | He has around 14 years of experience in the areas of Portfolio Management, Finance and matters related to Corporate Laws, Mergers and Acquisitions, Operations in Capital and Commodities Market. | He is a Business entrepreneur having vast experience in manufacturing and marketing field particularly in automobile industry. He is also engaged in the business of Pharmaceuticals and Exports of tea and coffee. | He has more than 30 years of experience in the areas of Banking - Rural Credit, HRD, Security related market and Industrial Finance. He has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a member of Securities Appellate Tribunal (SAT). | He started his career with Reserve Bank of India. Thereafter joined IDBI and eventually became its Dy. Managing Director. Also, he has served as long-term Advisor to Nigerian Bank at Lagos, Nigeria. Upon retirement from DBI, he was appointed as a Whole Time Member of Exchange Securities Board of India. At present, he is a free lance Management Consultant. |
| Directorships held in other companies (excluding private and foreign companies) | 1. Nimbus (India) Limited 2. NCJ International Limited 3. Homline Services Limited 4. NRI Commodity Services Limited 5. Urvashi Finvest Limited 6. IIT Investrust Limited | 1. Nimbus (India) Limited 2. Urvashi Finvest Limited 3. IIT Investrust Limited | 1. Jaiprakash Associates Limited 2. Surana Industries Limited 3. Zicom Electronic Security Systems Ltd. 4. Jaiprakash Power Venture Limited 5. Mayfair Hotels and Resorts Limited 6. Shriram Life Insurance Company Limited 7. Karn Merchant Bankers Limited 8. Microsec Financial Services Limited 9. ARSS Infrastructure Projects Limited 10. IIT Investrust Limited | 1. Indbank Merchant Banking Services Ltd. 2. Karn Merchant Bankers Ltd. 3. IIT Investrust Ltd. |
| Committee position held in other companies | 1. Audit Committee of IIT Investrust Limited | 1. Audit Committee of IIT Investrust Limited | 1. Audit Committee of ARSS Infrastructure Projects Limited 2. Remuneration Committee of Jaiprakash Associates Limited 3. Audit Committee of Mayfair Hotels and Resorts Limited 4. Audit Committee of Shriram Life Insurance Company Limited 5. Audit Committee of IIT Investrust Limited | 1. Audit Committee of Indbank Merchant Banking Services Limited 2. Audit Committee of IIT Investrust Limited |
| Shareholding of non-executive directors | 25,000 | 25,000 | NIL | NIL |

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 3****Appointment of Statutory Auditors**

The Company's current Auditors M/s. A.F. Ferguson & Co. do not wish to seek re-appointment as Statutory Auditors of the Company and have stated that they are now a part of M/s Deloitte Haskins & Sells (DHS). In view of the same and based on the recommendations of the Audit Committee, the Board of Directors have, at its meeting held on June 30, 2008, proposed the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as the Statutory Auditors in place of M/s. A.F. Ferguson & Co. for the financial year 2008-2009.

The Company has also received a special notice from a Member of the Company, in terms of the provisions of the Act, signifying the intention to propose the appointment of M/s. Deloitte Haskins & Sells as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting.

M/s. Deloitte Haskins & Sells have also expressed their willingness to act as Auditors of the Company, if appointed and have further confirmed that the said appointment would be in conformity with the provisions of Section 224(1B) of the Companies Act, 1956.

Your Directors, therefore recommend the resolution for your approval.

Item No. 4**Appointment of Mr. Bipin Agarwal as Director**

In terms of Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company, the Board of Directors at its meeting held on January 8, 2008, appointed Mr. Bipin Agarwal as Additional Director. Mr. Bipin Agarwal holds office up to the date of this Annual General Meeting. The Company has received a notice in writing (along with deposit of Rupees five hundred) from a Member proposing the candidature of Mr. Bipin Agarwal for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956, liable to retire by rotation in terms of the Articles of Association of the Company.

Your Directors, therefore recommend the resolution for your approval.

Except Mr. Bipin Agarwal, no other Director is, in any way, concerned or interested in this Resolution.

Item No. 5**Appointment of Mr. Swaran Singh as Director**

In terms of Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company, the Board of Directors at its meeting held on January 8, 2008, appointed Mr. Swaran Singh as Additional Director. Mr. Swaran Singh holds office up to the date of this Annual General Meeting. The Company has received a notice in writing (along with deposit of Rupees five hundred) from a Member proposing the candidature of Mr. Swaran Singh for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956, liable to retire by rotation in terms of the Articles of Association of the Company.

Your Directors, therefore recommend the resolution for your approval.

Except Mr. Swaran Singh, no other Director is, in any way, concerned or interested in this Resolution.

Item No. 6**Appointment of Dr. B. Samal as Director**

In terms of Section 260 of the Companies Act, 1956 and Article 126(a)

of the Articles of Association of the Company, the Board of Directors at its meeting held on March 5, 2008, appointed Dr. B. Samal as Additional Director. Dr. B. Samal holds office up to the date of this Annual General Meeting. The Company has received a notice in writing (along with deposit of Rupees five hundred) from a Member proposing the candidature of Dr. B. Samal for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956, liable to retire by rotation in terms of the Articles of Association of the Company.

Your Directors, therefore recommend the resolution for your approval.

Except Dr. B. Samal, no other Director is, in any way, concerned or interested in this Resolution.

Item No. 7**Appointment of Mr. T.M. Nagarajan as Director**

In terms of Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company, the Board of Directors at its meeting held on March 5, 2008, appointed Mr. T.M. Nagarajan as Additional Director. Mr. T.M. Nagarajan holds office up to the date of this Annual General Meeting. The Company has received a notice in writing (along with deposit of Rupees five hundred) from a Member proposing the candidature of Mr. T.M. Nagarajan for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956, liable to retire by rotation in terms of the Articles of Association of the Company.

Your Directors, therefore recommend the resolution for your approval.

Except Mr. T.M. Nagarajan, no other Director is, in any way, concerned or interested in this Resolution.

Item No. 8

The Non-Executive Directors have been the guiding force of your Company. They are not receiving any remuneration for the services rendered by them to the Company, except sitting fees for the meetings of the Board of Directors and Committees thereof attended by them. To compensate the time and efforts spent by them for the purposes of the Company, the Board has proposed payment of monthly remuneration or commission to Non-Executive Directors subject to ceilings provided under Companies Act, 1956 and subject to the approval of Central Government or any other statutory approval as may be required for giving effect to this resolution.

In accordance with the provisions of Section 309 (4) of the Companies Act, 1956 the approval of members is required by way of Special Resolution for the purpose.

The Board of Directors accordingly recommends this Special Resolution for your approval.

The Non-Executive Directors of your Company may be deemed to be interested or concerned in this Special Resolution.

By Order of the Board of Directors,
For Industrial Investment Trust Limited

Cumi Banerjee
Vice President (Legal) &
Company Secretary

Mumbai, June 30, 2008

Registered Office:
14E, Rajabhadur Mansion, 2nd Floor,
28, Bombay Samachar Marg
Mumbai - 400 001.



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DIRECTORS' REPORT

Your Directors are pleased to present the Seventy Fifth Annual Report of the Company, together with the Audited Statement of Accounts for the year ended March 31, 2008

| | Current Year (Rs. in Lakhs) | Previous Year (Rs. in Lakhs) |
|---|--------------------------------------|---------------------------------------|
| 1. FINANCIAL RESULTS | | |
| (a) Total Income | 1941.38 | 381.08 |
| Profit / (Loss) before depreciation | 1455.93 | (1570.57) |
| Less : Depreciation | 9.70 | 23.76 |
| Profit / (Loss) before Tax | 1446.23 | (1594.33) |
| Less : Provision for Tax | (162.70) | (2.10) |
| | 1283.53 | (1596.43) |
| Add : Balance of Profit / (Loss) brought forward from the previous year. | 1305.05 | 3135.47 |
| Amount available for appropriation | 2588.58 | 1539.04 |
| (b) From this, the Directors have transferred to: | | |
| Special Reserve | 260.00 | - |
| General Reserve | 130.00 | - |
| (c) The Directors recommend payment of Dividend at the rate of Rs. 2/- per share (previous year Rs. 2.00 per share) on 1,00,00,000 shares of Rs. 10/- each which will absorb. | 200.00 | 200.00 |
| Tax on proposed Dividend | 33.99 | 33.99 |
| (d) Leaving a balance to be carried forward | 1964.59 | 1305.05 |

1. OPERATING RESULTS

The total income for the year under review is higher at Rs.1941.38 Lakhs as compared to Rs.381.08 Lakhs in the previous year. This was mainly due to write back of provisions made for doubtful deposits / loans and provisions for value of investments for Rs.1472.48 Lakhs, no longer required.

Expenditure during the year under review is Rs.495.14 Lakhs as compared to Rs.1975.42 Lakhs in the previous year. This was due to decrease in Net Loss amounting to Rs.4.88 Lakhs on trading in Shares & Equity derivative instruments as compared to the Net Loss of Rs.464.10 Lakhs incurred on trading in Shares & Equity derivative instruments in the previous year.

2. INVESTMENTS

The Company's portfolio of investment is regularly reviewed and securities are bought, to add to the portfolio or sold in order to make capital gains. Details of the Company's investments, including a portfolio summary and analysis of securities held are given in Schedule E to the Balance Sheet as on March 31, 2008. The Company is an investment company, with a long term view of its portfolio.

The market value of the Company's quoted investments, as on March 31, 2008 was Rs.1235.28 Lakhs (previous year Rs.5502.60 Lakhs), which is 35% lower than the related Book Value. This was due to heavy market meltdown from January 2008 through March 2008. During the year the Company purchased shares / debentures of total Book Value of Rs.10,025 Lakhs and sold shares / debentures of Book Value of Rs.15,604 Lakhs.

3. SUBSIDIARY COMPANY - IIT Investrust Limited

Currently, the company does not have any business activity.

During the said period, the company sold 10,000 equity shares of Bombay Stock Exchange Limited (BSE).

Pursuant to the application for surrendering its membership with OTC Exchange of India (OTCEI), the company is still awaiting the reply from the said Exchange.

4. FIXED DEPOSITS

The Company does not accept Public Deposits.

5. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956, the following amounts lying with the Company as unclaimed for a period of seven years from the date they became due for payment were transferred during the period under review to the Investor Education and Protection Fund.

| | |
|---|---------------|
| 1. Unclaimed Dividend | Rs.4,24,485/- |
| 2. Unclaimed Interest on Fixed Deposits | Rs.5,835/- |

6. EMPLOYEE RELATIONS

Relations with employees continue to be cordial. The Directors take this opportunity to thank the employees at all levels for their continued dedication and hard work put in by them.

7. DIRECTORS

During the period under review, the promoters – Super Star Exports Private Limited, Padmavatiasha Properties and Projects Private Limited, Raneka Fincom Private Limited, Pranam Securities Limited and Pacific Corporate Services Limited sold their stake in the Company to N.N. Financial Services Private Limited, Nimbus (India) Limited, Mr. Bipin Agarwal and Mr. Swaran Singh,

collectively called "the Acquirers". Pursuant to the takeover, there is a change in Management / Control of the Company.

Mr. N.R. Suresh resigned as Director from the Board of the Company on January 8, 2008. Mr. C.P. Khandelwal, Mr. Sanjay Dangi and Mr. Arvinth Pandian resigned on March 5, 2008 as Directors from the Board of the Company. During their tenure as Directors, they have greatly contributed to the performance of the Company by their vast knowledge and experience.

Mr. Bipin Agarwal and Mr. Swaran Singh have been appointed by the Board as Additional Directors of the Company with effect from January 8, 2008. Dr. B. Samal and Mr. T.M. Nagarajan have been appointed by the Board as Additional Directors of the Company with effect from March 5, 2008 pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 126(a) of the Articles of Association of the Company. Mr. Bipin Agarwal, Mr. Swaran Singh, Dr. B. Samal and Mr. T.M. Nagarajan holds office upto the date of the ensuing Annual General Meeting.

It is proposed to appoint Mr. Bipin Agarwal, Mr. Swaran Singh, Dr. B. Samal and Mr. T.M. Nagarajan as Directors of the Company. Notice has been received from the members pursuant to Section 257 of the Companies Act, 1956, proposing their candidature for the office of Director.

8. DIVERSIFICATION

The Promoters of the Company are examining various growth opportunities in line with its objectives including entering into business of Mutual Funds, Insurance, Real Estate. They are looking at various proposals as an ongoing endeavour to diversify into certain new and profitable ventures.

During the year under review, the Company has made an investment of Rs.9,55,62,276/- (aggregate cost) for acquiring 50.17% of the equity stake in Indo Green Projects Limited (IGPL), a BSE listed Company and has filed Letter of Offer pursuant to Regulations 10 and 12 of SEBI (SAST) Regulations, 1997 for further acquisition of 20% of the equity shares and voting rights of IGPL. IGPL is presently engaged in the business of Bill Discounting, granting Inter corporate loans, investment and trading activities. IGPL proposes to venture into the business of Real Estate Development.

9. AUDITOR'S REPORT

The observations made by the Auditors in their report are appropriately dealt with in the notes forming part of the accounts for the year, which are self-explanatory and hence do not require any further explanations.

10. AUDITORS

The Company's current Auditors M/s. A.F. Ferguson & Co. do not wish to seek re-appointment as Statutory

Auditors of the Company and have stated that they are now a part of M/s Deloitte Haskins & Sells (DHS). In view of the same and based on the recommendations of the Audit Committee, the Board of Directors have, at its meeting held on June 30, 2008, proposed the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as the Statutory Auditors in place of M/s. A.F. Ferguson & Co. for the financial year 2008-2009.

The Company has also received a special notice from a Member of the Company, in terms of the provisions of the Act, signifying the intention to propose the appointment of M/s. Deloitte Haskins & Sells as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting.

M/s. Deloitte Haskins & Sells have also expressed their willingness to act as Auditors of the Company, if appointed and have further confirmed that the said appointment would be in conformity with the provisions of Section 224(1B) of the Companies Act, 1956.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement with the Stock Exchange, is given as a separate statement in the Annual Report.

12. CORPORATE GOVERNANCE

The management is seeking a competent candidate for appointment of Chief Executive Officer (CEO). In absence of CEO, the certification as required under Clause 49 (V) of the Listing Agreement is given by Mr. Bipin Agarwal, Promoter Director of the Company.

A separate section on Corporate Governance forms part of the Annual Report. A certificate regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement forms part of the Annual Report.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- appropriate accounting policies have been selected and applied consistently and that they have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the affairs of the Company for the year ended March 31, 2008;
- proper and sufficient care has been taken 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 fraud and other irregularities; and



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- (d) the annual accounts have been prepared on a 'going concern' basis.

14. PARTICULARS OF EMPLOYEES

There are no Employees coming under the purview of Section 217 (2A) of the Companies Act, 1956 and therefore such information has not been disclosed.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

Your Company is not engaged in any manufacturing activities, and therefore, there are no particulars to be disclosed under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988,

relating to conservation of energy or technology absorption. During the year under review, the Company did not earn any foreign exchange and there was no expenditure in foreign exchange.

On behalf of the Board of Directors,

Dr. B. Samal
Chairman

Mumbai

Date: June 30, 2008

Report  junction.com