



**22ND
ANNUAL
REPORT
2004-2005**

Report  junction.com

**MY
FAIR
LADY
LIMITED**

My Fair Lady Limited

BOARD OF DIRECTORS

Shri S. N. Chopra

Chairman

Shri Karan Chopra

Managing Director

Shri S. C. Chhibber

Wg. Commander (Retd.)

Director

Shri N. K. Anand

Director

Parul Gupta

Company Secretary

AUDITORS

M/s Chandiwala, Gupta & Associates

Chartered Accountants

New Delhi

BANKERS

Tamilnad Mercantile Bank Ltd.

Punjab National Bank

SHARE TRANSFER AGENTS

Intime Spectrum Registry Ltd.

A-31, 3rd Floor, Near PVR,

Nariana Industrial Area, Ph-I, New Delhi-28

Tel. : 91-11-51410592-93-94

Fax : 91-11-51410591

E-mail : delhi@intimespectrum.com

For Dematerialisation of Shares

ISIN No. - INE 244CO1012

REGISTERED OFFICE

Z-37, Okhla Industrial Area, Phase-II,

New Delhi - 110 020

WORKS

Near BCI Bearing Factory,

Old Kausali Road,

Sector - 5, Parwanoo,

Distt. : Salan, Himachal Pradesh.

CONTENTS

PAGE NO.

1. Notice	1
2. Directors' Report	3
3. Corporate Governance Report	5
4. Auditors' Report	10
5. Balance Sheet	13
6. Profit & Loss Account	14
7. Schedule & Notes	15-22
8. Cash Flow Statement	23
9. Balance Sheet Abstract	24

My Fair Lady Limited

NOTICE

Notice is hereby given that 22nd Annual General Meeting of My Fair Lady Limited will be held on Friday, the 30th September, 2005 at 9.00 A.M at Community Hall, Kilokiri, New Delhi -110 014 to transact the following businesses.

As Ordinary Business:

Item No.1

To receive, consider and adopt the Audited accounts of the Company for the year ended 31st March, 2005 together with the Reports of auditors thereon.

Item No.2

To appoint a Director in place of Mr. S. N. Chopra, who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3

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

"RESOLVED THAT M/s. Chandiwalla, Gupta & Associates, Chartered Accountants be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company."

AS SPECIAL BUSINESS:

Item No. 4

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

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956 Mr. N. K. Anand be and is hereby appointed as Director of the Company liable to retire by rotation."

By the Order of the Board
For My Fair Lady Limited

Place : New Delhi

Date : 1st September, 2005

S. N. Chopra
Chairman

My Fair Lady Limited

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SEND IN THE FORM ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY COMPLETE IN ALL RESPECT NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The members are requested to intimate the Company immediately, any change in their registered address.
3. The Register of Members and Share transfer books of the company shall remain closed from Thursday to Friday, the 29th September, 2005 to 30th September, 2005 (both days inclusive).
4. Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
5. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the corporate office of the company ten days in advance of the meeting so that the information may be made readily available.
6. Members are requested to bring their copy of the notices at the Annual General Meeting.

ANNEXURE TO THE NOTICE

(Explanatory statements as required under section 173(2) of the Companies Act, 1956)

Item No. 4:

The Company has received notice under Section 257 of the Companies Act, 1956 for the appointment of Mr. N. K. Anand as a Director of the Company. Mr. N. K. Anand is having more than 20 years of rich experience in the field of Marketing and financial field.

The Board recommends this resolution for the approval of the Shareholders.

None other directors of the Company are interested in this resolution.

By the Order of the Board
For My Fair Lady Limited

Place : New Delhi
Date : 1st September, 2005

S. N. Chopra
Chairman

My Fair Lady Limited

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SEND IN THE FORM ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY COMPLETE IN ALL RESPECT NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The members are requested to intimate the Company immediately, any change in their registered address.
3. The Register of Members and Share transfer books of the company shall remain closed from Thursday to Friday, the 29th September, 2005 to 30th September, 2005 (both days inclusive).
4. Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
5. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the corporate office of the company ten days in advance of the meeting so that the information may be made readily available.
6. Members are requested to bring their copy of the notices at the Annual General Meeting.

ANNEXURE TO THE NOTICE

(Explanatory statements as required under section 173(2) of the Companies Act, 1956)

Item No. 4:

The Company has received notice under Section 257 of the Companies Act, 1956 for the appointment of Mr. N. K. Anand as a Director of the Company. Mr. N. K. Anand is having more than 20 years of rich experience in the field of Marketing and financial field.

The Board recommends this resolution for the approval of the Shareholders.

None other directors of the Company are interested in this resolution.

By the Order of the Board
For My Fair Lady Limited

Place : New Delhi

Date : 1st September, 2005

S. N. Chopra
Chairman

My Fair Lady Limited

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 22nd Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	2004-2005 (12 Months Audited)	2003-2004 (12 Months Audited)
Sales, other income & prior period income	128.09	164.33
Profit/(Loss) before interest depreciation and taxation	(142.94)	(16.09)
Depreciation	(3.18)	(3.88)
Profit/(Loss) before taxation	(146.12)	(19.98)
Provision for taxation	NIL	NIL
Profit/(Loss) after taxation	(146.12)	(19.98)
Add : Prior period expenses	0.37	0.59
Less : Prior period income	(0.40)	NIL
Less: Excess Dep. Of MFL Pharma Ltd.	NIL	(0.15)
Less : Deferred Tax Assets	NIL	(7.37)
Add: Balance b/f from previous year	288.34	(275.29)
Profit/(Loss) carried to Balance Sheet	(419.39)	(288.34)

MANAGEMENT DISCUSSION & ANALYSIS AND REVIEW OF OPERATIONS AND FUTURE LAW

The Cosmetics Industry is growing fast lead by large scale new entrants from abroad. There is a continuous threat of large scale cheap imports. There is resistance to our new introductions in the market and we continue to rely on our established old product range. The retail business is going for change in a big way. The small operators will have problems with big retail outlets. The financial performance of the Company is poor due to low sales and high costs of selling and the overheads which are already controlled to the lowest necessities.

There was a fire at the Company's premises at Delhi resulting in the loss of stocks and equipment. The Company has started a manufacturing unit at Parwanoo in Himachal Pradesh, which is a tax free area. Overall the Company is employing about 40 persons.

DIVIDEND

Due to the losses incurred, no dividend is recommended for the financial year 2004-2005.

AUDITORS

M/s Chandiwala, Gupta & Associates, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate under section 224(1-B) of the Companies Act, 1956 to the effect that their re-appointment, if made, will be within the prescribed limit.

AUDITOR'S REPORT

The Auditors in their report have referred to the notes forming parts of Accounts. The said notes are self-explanatory and need not require any further clarifications. The suggestion given by them have taken note for future operation.

DIRECTORS

Mr. A. K. Mittal resigned from the Directorship of the Company w. e. f. 1st September, 2005. In accordance with the provisions of the Companies Act, 1956 Mr. S. N. Chopra, Director of the Company retires by rotation, and being eligible, offers himself for re-appointment. The Board proposed to appoint Mr. N. K. Anand as a Director of the Company in the forthcoming Annual General Meeting of the Company.

FIXED DEPOSITS

During the year under review the Company has not accepted any money from the public as Fixed Deposits.

PARTICULARS OF EMPLOYEES

No employee of the Company is covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1980 as amended to date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

Information u/s 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 is furnished in Annexure "A" and forms part of this report.

My Fair Lady Limited

REPORT ON CORPORATE GOVERNANCE

As stipulated by clause 49 of the Listing Agreement, the Report on Corporate Governance is given separately in this Annual Report. The Certificate of M/s. Chandiwala, Gupta & Associates, Statutory Auditors of the Company regarding the Compliance of Clause 49 of the Listing Agreement is enclosed herewith and form part of Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms section 217(2AA) of the Companies Act, 1956 your directors confirms as under:

1. That the preparations of Annual Accounts, the applicable accounting standards have been followed and no materials departures have been made from the same.
2. That they have selected such accounting policies and applied them consistently, except where changes have been made and disclosed appropriately and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of state affairs of the Company at the end of profit or loss of the Company that period.
3. That they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for the safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
4. That they have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors acknowledge with gratitude the support given to the Company by the dealers, customers and suppliers, shareholders and investors who indeed deserve a special mention for their faith and confidence reposed by them in the Company.

By the Order of the Board
For My Fair Lady Limited

Place: New Delhi
Date: 1st September 2005

(S.N.Chopra)
Chairman

(Karan Chopra)
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 forming part of Directors' Report.

1. CONSERVATION OF ENERGY

Your Company is not a major consumer of power yet it recognizes the vital need to conserve energy and gives due importance to the reduction of power consumption in its manufacturing process for this purpose of power consumption in the plant as well as in the offices is monitored regularly and efforts are made to save the energy wherever possible.

A) Power & fuel consumption purchased :

Purchased	Current year	Previous year
Unit	9451	1797
Total Amount (in Rs.)	51982	10056
Rate/unit (Rs.)	5.50	5.50

B) Own generation through diesel set:

	Current Year	Previous year
Unit	Nil	3102
Liters per unit	Nil	2.83
Rate/unit	Nil	8.05

2. RESEARCH & DEVELOPMENT

The operations of the Company do not require any elaborate R & D Activities. The Company however maintains the quality of its products by constant quality control & evaluation for improvement of existing products.

3. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION

No technical tie up has been entered so far. The Company however keeps itself abreast of the latest technological changes.

4. FOREIGN EXCHANGE EARNINGS & OUTGO

Total foreign exchange earned & used

- i) Foreign exchange earned
- ii) Foreign exchange used

For M
NIL
NIL

By the Order of the Board
For My Fair Lady Limited

Place: New Delhi
Date: 1st September 2005

(S.N.Chopra)
Chairman

(Karan Chopra)
Managing Director

My Fair Lady Limited

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

In compliance with the clause 49 of the Listing Agreement with the Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and practice followed by the Company.

I. Company's philosophy on Corporate Governance: -

The Company's philosophy on Corporate Governance envisages the attainment of highest level of transparency, accountability, integrity and efficiency in all fields of its operations and in all its interactions with its stakeholders including shareholders, employees, customers, Government and the banks and financial institutions.

II. Board of Directors

(a) Composition of the Board

My Fair Lady Limited Board represents an optimum combination of executive and non-executive directors and is in conformity with the provisions of the Listing Agreement on Corporate Governance. The Composition of the Board of Directors as on 31st March, 2005 is given below:

Name of Directors	Categories of Directors	No of other Directorships held	No of Board Committees of which he is a member	No. of other Board Committee(s) of which he is a Chairman
Sh. S.N.Chopra	Promoter, Executive Director & Chairman of the Board	2	-	-
Sh. Karan Chopra	Executive Director	1	-	-
Sh.S.C.Chibber	Independent Non-Executive Director	-	-	-
Sh.A.K.Mittal	Independent Non-Executive Director	-	-	-

(b) Number of Board Meetings held and attended by Directors

(i) During the period under review, the Board of Directors of the Company met Eight (8) times. These were held on:

- | | |
|-------------------------|------------------------|
| (1) 30th April 2004 | (7) 29th January, 2005 |
| (2) 10th June 2004 | (8) 9th March, 2005. |
| (3) 31st July, 2004 | |
| (4) 2nd September, 2004 | |
| (5) 30th October, 2004 | |
| (6) 22nd December, 2004 | |

(ii) The attendance record of each Directors at the Board Meetings during the period ended on 31st March 2005 and of last Annual general meeting is as under: -

Name of Directors	Total No. of held	No. of board meeting attended	Attendance at the last AGM
Sh.S.N.Chopra	8	8	Yes
Sh. Karan Chopra	8	8	Yes
Sh.S.C.Chibber	8	6	Yes
Sh.A.K.Mittal	8	6	Yes

III. Audit Committee

(i) During the period under review, the members of Audit Committee met 3 (Three) times. The Dates of the meetings were 29.04.2004, 30.08.2004 and 09.03.2005.

S. No.	Name of Director	Position	Category	No. of meetings	Attendance
1.	A. K. Mittal	Chairman	Independent Non Executive	03	03
2.	S. C. Chhiber	Member	Independent Non Executive	03	03
3.	Karan Chopra	Member	Executive Director	03	03