



11th - Nahar Group

20th

Annual Report

2007-08

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NAHAR POLY FILMS LIMITED

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BOARD OF DIRECTORS

1. Sh. Jawahar Lal Oswal	Chairman
2. Sh. Dinesh Oswal	Director
3. Sh. Kamal Oswal	Director
4. Sh. Dinesh Gogna	Director
5. Sh. Amarjeet Singh	Director
6. Sh. Komal Jain	Director
7. Sh. Satish Kumar Sharma	Executive Director
8. Dr. (Mrs.) H.K.Bal	Director
9. Dr. Om Parkash Sahni	Director
10. Prof. Kanwar Sain Maini	Director
11. Dr. Suresh Kumar Singla	Director
12. Dr. Yash Paul Sachdeva	Additional Director

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REGISTERED OFFICE

376, Industrial Area-A,
LUDHIANA-141 003, Punjab

BANKERS

Punjab National Bank

AUDITORS

M/s. Gupta Vigg & Co.,
Chartered Accountants,
101-Kismat Complex,
G.T. Road, Miller Ganj,
LUDHIANA-141 003

20th ANNUAL GENERAL MEETING

Day : Monday

Date : 29th September, 2008

Time : 10.30 A.M.

Place : At the Premises of
Nahar Industrial Enterprises Limited
Focal Point, Ludhiana

CONTENTS

PAGE NO.

NOTICE	1
DIRECTORS' REPORT	4
REPORT ON CORPORATE GOVERNANCE	8
AUDITORS' REPORT	16
BALANCE SHEET	18
PROFIT & LOSS ACCOUNT	19
NOTES ON ACCOUNTS	24
BALANCE SHEET ABSTRACT	27
CASH FLOW STATEMENT	28



NOTICE

Notice is hereby given that the **Twentieth Annual General Meeting** of the Members of **Nahar Poly Films Limited**, will be held on **Monday the 29th day of September, 2008 at 10.30 A.M.** at the premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit and Loss account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Dr. Suresh Kumar Singla who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sh. Kamal Oswal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Sh. Dinesh Gogna, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Dr. Om Parkash Sahni, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Auditors who shall hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. Gupta Vigg & Co., Chartered Accountants, the retiring Auditors of the company being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956 Dr. Yash Paul Sachdeva, who was appointed by the board as an Additional Director of the Company w.e.f. 31st January, 2008 and who holds such office upto the date of forthcoming Annual General Meeting in terms of section 260 of the Companies Act, 1956 and in respect of whom the company has received

a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as director of the company, liable to retire by rotation."

BY ORDER OF THE BOARD

PLACE: LUDHIANA

KOMAL JAIN

DATED: 31st July, 2008

(DIRECTOR)

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/ HERSELF AND SUCH PROXY NEED NOT TO 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 FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.
2. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Special Business under item no.8 is annexed hereto and forms part of the notice.
3. The Register of Members and Share Transfer Register of the Company shall remain closed from 21st September, 2008 to 29th September, 2008 (both days inclusive).
4. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members, whose names appear in the Register of Members as on 29th September, 2008 or Register of Beneficial owners, maintained by the Depositories at the close of 20th September, 2008.
5. Pursuant to the Section 205C of the Companies Act, 1956 all unclaimed dividends upto the financial year 1999-2000 have been transferred to Investor Education and Protection Fund. Further unpaid dividend for the year 2000-2001 is to be transferred to Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956 in October, 2008. Shareholders who have not encashed their dividend warrants relating to the said period are requested to claim the amount from



the company at the earliest. Further we may also inform that once the amount is deposited with Investor Education and Protection Fund, it cannot be claimed later on as per the Companies (Amendment) Act, 1999.

6. The bank account particulars of the members will be printed on the dividend warrants. Members holding shares in physical form are requested to immediately notify change in their address/Bank details to the Company's Share Transfer Agent M/s. Alankit Assignments Limited or to the company's Registered Office 376-Industrial Area-A, Ludhiana-141 003.
7. Since the company's shares are in compulsory demat trading, to ensure better service and elimination of risk of holding shares in physical form, we request shareholders holding shares in physical form to dematerialize their shares at the earliest.
8. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form 2B)
9. The document referred to in the accompanying explanatory statement are open for inspection at the Registered Office of the company on any working day (except Sunday and holiday) between 10.00 A.M. to 12.00 Noon upto the date of Annual General Meeting.
10. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the information ready.
11. Members are requested to bring the copy of Annual Report alongwith them, at the meeting.
12. The information required to be provided under Clause 49 of the Listing Agreement entered into with Stock Exchanges, regarding the Directors who are proposed to be re-appointed is annexed hereto and forms part of the notice.

Information pursuant to Corporate Governance Clause of the listing Agreement regarding Director seeking appointment/re-appointment:

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/reappointed are given below:

1. **Name** : Suresh Kumar Singla
Age : 58 Years
Qualification : M.A. (Stat. & Eco) & Ph.D (Stats)
Expertise : Having 31 Years experience in Teaching, Management and Administration.

His Directorship/Membership in the committee of the board in other companies is as under:

Name of the Company	Committee	Status
1. Nahar Spinning Mills Ltd.		
2. Nahar Capital and Financial Services Ltd.		
3. Oswal Woollen Mills Ltd.	Audit Shareholders Grievance	Chairman Member

2. **Name** : Kamal Oswal
Age : 46 Years
Qualification : Commerce Graduate.
Expertise : Having Business experience of Morethan 26 years in the Industry.

His Directorship/Membership in the committee of the board in other companies is as under:

Name of the Company	Committee	Status
1. Oswal Woollen Mills Ltd.	--	--
2. Nahar Industrial Enterprises Ltd.	--	--
3. Nahar Spinning Mills Ltd.	--	--
4. Nahar Capital & Financial Services Ltd.	--	--
5. Oswal Leasing Ltd.	--	--
6. Vardhman Investments Ltd.	--	--
7. Girnar Investment Ltd.	--	--
8. Nahar Industrial Infrastructure Copn. Ltd.	--	--
9. Kulu Investment Trading Pvt. Ltd.	--	--
10. J.L. Growth Fund Ltd.	--	--
11. Abhilash Growth Fund (P) Ltd.	--	--
12. Neha Credit & Investment (p) Ltd.	--	--
13. Palam Motels Ltd.	--	--
14. Nagdevi Trading & Investment Co. Ltd.	Audit	Chairman
15. Sankeshwar Holding Co. Ltd.	--	--
16. Ogden Trading & Investment Co. (P) Ltd.	--	--
17. Crown Star Ltd.	--	--
18. Nahar Growth Fund (P) Ltd.	--	--
19. Cotton County Retail Ltd.	--	--



Sh. Kamal Oswal being the son of Sh. Jawahar Lal Oswal is related to him. He is also related to Sh. Dinesh Oswal being his brother.

3. Name : Dinesh Gogna

Age : 55 Years

Qualification : B.A. LL.B

Expertise : Having experience of more than 27 years in Corporate Finance & Taxation.

His Directorship/Membership in the committee of the board in other companies is as under:

Name of the Company	Committee	Status
1. Nahar Spinning Mills Ltd.	Audit	Member
2. Nahar Industrial Enterprises Ltd.	Audit Shareholders Grievance	Member Chairman
3. Girnar Investment Ltd.	--	--
4. Oswal Woollen Mills Ltd.	Audit	Member
5. Oswal Leasing Ltd.	--	--
6. Cotton County Retail Ltd.	--	--
7. Nahar Capital & Financial Services Ltd.	--	--
8. Crown Star Ltd.	--	--
9. Monte Carlo Fashions Ltd.	--	--

4. Name : Om Prakash Sahni

Age : 67 Years

Qualification : M.Sc., MBA, Ph.D

Expertise : Having more than 32 years of experience in teaching Management and Administration.

His Directorship/Membership in the committee of the board in other companies is as under:

Name of the Company	Committee	Status
1. Nahar Industrial Enterprises Ltd.	Audit Remuneration Shareholders Grievance	Chairman Member Member
2. Nahar Spinning Mills Ltd.	Audit	Member

3. Nahar Capital and Financial Services Ltd. -- --

4. Oswal Woollen Mills Ltd. -- --

5. Midland International Ltd. -- --

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO.8

The Board of Directors appointed Dr. Yash Paul Sachdeva, as an Additional Director of the company on 31st January, 2008, pursuant to Article 109 of the Articles of Association of the company. Dr. Yash Paul Sachdeva will hold the office of the Additional Director up to the date of Annual General Meeting. The company has received a notice in writing from a Member alongwith the deposit of Rs.500/- proposing the candidature of Dr. Yash Paul Sachdeva, for the Office of Director liable to retire by rotation. Dr. Yash Paul Sachdeva, is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Companies Act, 1956 and has obtained Director Identification Number in terms of section 266(A) of the said Act.

Dr. Yash Paul Sachdeva is 46 years of age. He is M.B.A. Ph.D (Business Administration) and is having more than 26 years teaching experience in the field of Business Management. Presently he is the Head of Business Department of Punjab Agricultural University, Ludhiana.

Board considers that having regard to his knowledge and experience, it will be in the interest of the company to appoint him as Director of the company.

His Directorship/Membership in the committees of the board in other companies is as under:

Name of the company	Committee	Status
Nahar Industrial Enterprises Ltd.	Nil	Nil

Your Directors recommend the resolution for your approval.

None of the director except Dr. Yash Paul Sachdeva may be deemed to be concerned or interested in the resolution.

BY ORDER OF THE BOARD

PLACE : LUDHIANA

KOMAL JAIN

DATED: 31st July, 2008

(DIRECTOR)



DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the **TWENTIETH ANNUAL REPORT** on the affairs of the company for the year ended 31st March, 2008.

FINANCIAL RESULTS

Your Company's Financial Performance during the year is summarised below:

(Rs. in lacs)				
PARTICULARS	CURRENT YEAR		PREVIOUS YEAR	
Profit before interest & Depreciation	670.51		1059.86	
Less: Interest	1.50		--	
Depreciation	--		--	
Provision for taxation Net of Deferred Tax)	35.60	37.10	81.22	81.22
Profit after tax	633.41		978.64	
Add: Balance of Surplus brought Forward	12.89		--	
Amount available for appropriation	646.30		978.64	
APPROPRIATION				
Proposed Dividend	122.94		184.41	
Tax on Distributed profits	20.90		31.34	
Transfer to General Reserve	500.00		750.00	
Balance carried to balance sheet	2.46		12.89	
	646.30		978.64	

OPERATIONAL REVIEW

Before reviewing the operational performance, we would like to inform you that company has decided on 16th May, 2008 to put up a BI-AXIALLY ORIENTED POLYPROPYLENE FILMS (BOPP FILMS) Project with the existing available resources. The company does not intend to undertake any other activities in future, therefore income received during the year under review from investment activities, is of temporary nature and does not strictly falls under the segment revenue. Hence it is shown under the head operating income, as other income.

During the year under review, company received an income of Rs.710.82 lacs. It earned a pre-tax profit of Rs.669.01 lacs and after providing Rs.35.60 lacs for tax (including Fringe Benefit Tax) net profit comes to Rs.633.41 lacs. After appropriation of profits as per details hereinabove, an amount of Rs.500.00 lacs has been transferred to General Reserve thereby increasing

the company's Reserve to Rs.12408.50 lacs as on 31st March, 2008.

FUTURE PLANS

As the members are aware that after implementation of the scheme of Demerger and Arrangement, company was left with the Residual Business i.e. some long term Investment in Shares/Mutual Funds. The Management after taking into account the interest of the shareholders and stake holders decided to put up BOPP FILMS project. The company has already amended its object clause by inserting and adopting four new clauses relating to the manufacture of BOPP Films, in the main object clause of the Memorandum of Association.

The total cost of the project is Rs.300/- crores (approx.) which will be financed by way of term loan from the Financial Institutions and the existing available resources. The company has already signed a Memorandum of Understanding with the Madhya Pradesh State Government for the said Project whereby company shall be eligible to get several incentives in the form of tax exemption of VAT, Commercial Taxes, Entry Taxes, Central Sale Tax, Stamp duty, Capital subsidy etc.

The BOPP Films is mainly used in flexible packaging and will be sold in the domestic and International markets. The India's expanding organized retail business has provided good opportunity to the industry. We are quite optimistic that on completion of the project it will add to the topline as well as bottom line of the company.

CHANGE IN COMPANY'S NAME

As already reported in para above, company is putting up BOPP FILMS Project. To bring company's name in line with the proposed manufacturing activity, it was decided to change its name to NAHAR POLY FILMS LIMITED. The Registrar of Companies, Punjab, H.P. & Chandigarh vide its letter dated 8th May, 2008 confirmed the availability of the new name for Registration subject to the compliance of Section 21 and other applicable provisions of the Companies Act, 1956. The Shareholders at the Extra Ordinary General Meeting held on 11th June, 2008 have already given their assent through special resolution under section 21 of the Companies Act, 1956. On its Registration with Registrar of Companies, Punjab, H.P. & Chandigarh on 23rd June, 2008, the company's name stand changed to NAHAR POLY FILMS LIMITED and a fresh Certificate of Incorporation consequent upon change of name has also been issued on 23rd June, 2008.

DIVIDEND

Your Directors are pleased to recommend a dividend @ 10% on paid up equity share capital for the year ended 31st March, 2008.

The dividend, if approved at the forthcoming Annual



General Meeting, will be paid out of profits of the company for the year under reference to all those shareholders whose name shall appear in the Register of Members on 29th September, 2008 or Register of beneficial owners, maintained by the depositories as at the close of 20th September, 2008.

DIRECTORS

Dr. Yash Paul Sachdeva was appointed as an Additional Director of the company on 31st January, 2008 by the Board. He will hold the office up to the ensuing Annual General Meeting. The company has received a notice under section 257 of the companies Act, 1956 from a member proposing his candidature as director of the company subject to your approval. The necessary resolution is being proposed for your approval in the accompanying notice of the Annual General Meeting.

Pursuant to Article 112 of the Articles of Association of the company Sh. Suresh Kumar Singla, Sh. Kamal Oswal, Sh. Dinesh Gogna and Dr. Om Parkash Sahni will be retiring by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, the details of Directors to be appointed/re-appointed are contained in the accompanying Notice of the forthcoming Annual General Meeting.

LISTING OF SECURITIES

The securities of the company are presently listed on the following Stock Exchanges:

1. The Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.
2. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No.C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai.

The company has paid listing fee to both the Stock Exchanges for the financial year 2008-2009.

DEMATERIALISATION OF SHARES

As the members must be aware that company's securities are tradable compulsorily in electronic form w.e.f. 8th May, 2000. Your company has already established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on date 90.95% of the share capital have been dematerialized by the members of the company.

Further as per SEBI circular No. D & CC/FITTC/CIR-15/2002 DATED 27TH December, 2002, company has appointed M/s Alankit Assignments Ltd., as Registrar for Share Transfer and Electronic connectivity. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in

respect of share transfer, demat/remat, change of address etc. to our Registrar at below mentioned address:

M/s. Alankit Assignments Ltd.
(Unit Nahar Poly Films Ltd.)
Alankit House,
2E/21, Jhandelwala Extension
NEW DELHI-110055
Telephone No. : (011)23541234
Fax No. : (011)41540064
E-mail Address : rta@alankit.com

In case any query/complaint remains unresolved with our Registrar please write to Compliance Officer at the Registered office of the company.

The Share holders who have not gone in for dematerialisation of shares till date, are requested to opt for dematerialisation of the shares at the earliest.

AUDIT COMMITTEE

Pursuant to section 292A(1) of the Companies Act, 1956, Company has already constituted Audit Committee consisting of Sh. Amarjeet Singh as Chairman, Sh. Dinesh Gogna and Prof. K.S. Maini as members. The committee held 4 meetings during the year under review.

REPORT ON THE CORPORATE GOVERNANCE

Your company continues to follow the principles of good Corporate Governance. The company has already constituted several committees of directors to assist the board in good Corporate Governance. The Corporate Governance Report along with Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange, is attached herewith & forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review, confirm in their entirety to the requirements of the Companies Act, 1956.

The Directors confirm:

- i) that in preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanations relating to material departures.
- ii) that they had selected such accounting policies and applied them consistently and made judgements and estimates that are 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 and loss of the company for that period;



- iii) that they had taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the company and for preventing and detecting of fraud and other irregularities
- iv) that they had prepared the Annual Accounts on a going concern basis.

COST AUDITORS

Upon the implementation of scheme as per the order dated 21st December, 2006 passed by the Hon'ble Punjab and Haryana High Court, company's textile business stand demerged and transferred to Nahar Spinning Mills Ltd w.e.f. 1st April, 2006. Accordingly company has made an application to Ministry of Corporate Affairs, Cost Audit Branch, New Delhi to take note of the above said order and make necessary change in the record.

AUDITORS

M/s. Gupta Vigg & Co., the Auditors of the company shall be retiring at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The company has obtained from auditors, a certificate as required under section 224(1-B) of the Companies Act, 1956 to effect that their re-appointment, if made, would be within the limits specified in the said section. The Audit Committee has recommended their re-appointment.

PUBLIC DEPOSITS

During the year, company has neither accepted nor intend to accept any Public Deposit within the meaning of Section 58-A, of the Companies Act, 1956 and the rules made there under. There are no outstanding/unclaimed deposit from the public.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to section 205C of the Companies Act, 1956 the company has transferred an amount of Rs.956495.25 (Rs.Nine lacs fifty six thousand four hundred ninety five and paise twenty five) being the amount of unclaimed dividend for the year 1999-2000 to the Investor Education and Protection Fund.

PARTICULARS OF EMPLOYEES

None of the employee is in receipt of emoluments in excess of the limits prescribed under the Companies (Particulars of employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Particulars with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules 1988, is enclosed as per Annexure-I & forms part of this report.

INDUSTRIAL RELATIONS

The Industrial Relations remained cordial throughout the year and the excellent results were achieved with the whole hearted co-operation of employees at all levels.

ACKNOWLEDGEMENT

The board of directors of the company wish to place on record their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the company. The directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the management of the company.

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA

JAWAHAR LAL OSWAL

DATED: 31st July, 2008

(Chairman)

ANNEXURE-I

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2008.

I. CONSERVATION OF ENERGY

a) Measures taken for conservation of energy:

The growth of the industry and its rapid industrialization is putting tremendous pressure on the available energy resources. As such the need of the hour is to conserve energy and maximize output.

Energy conservation is an ongoing process in our organization. Last year the company has not undertaken any manufacturing activity and the company earned income on its investment only. But in the year 2008-09 the company is putting up a BOPP Project in the State of Madhya Pradesh. The company has selected latest machinery and equipment having low energy consumption.

b) Additional investment & proposal for reduction of consumption of energy:

The company will take necessary measures as may be required from time to time for conservation of energy.

c) Impact of measure, consequent to (a) and (b) above:

The above measures will result in energy saving and consequent decrease in cost of production.



- d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure in the rules in respect of Industries specified in the schedule thereto

FORM A

CURRENT YEAR PREVIOUS YEAR
2007-2008 2006-2007

A. POWER & FUEL CONSUMPTION

1. Electricity

a) Purchased

Units (Kwh)	Nil	Nil
Total amount (Rs.)	Nil	Nil
Rate per Unit (Rs.)	Nil	Nil

b) Own Generation

i) Through Diesel Generator Unit		
Units per ltr. of diesel oil	Nil	Nil
Cost/unit	Nil	Nil
ii) Through steam turbine/generator		
Units	Nil	Nil
Units per ltr. of fuel oil/gas	Nil	Nil
Cost/units	Nil	Nil

2. Coal

Quantity (in Tones)	Nil	Nil
Total Cost (Rs.)	Nil	Nil
Average rate	Nil	Nil

3. Furnace Oil

Quantity (in litres)	Nil	Nil
Total amount	Nil	Nil
Average rate	Nil	Nil

4. Other/Internal Generation

Quantity (in litres)	Nil	Nil
Total cost	Nil	Nil
Rate/Unit	Nil	Nil

B. CONSUMPTION PER UNIT OF PRODUCTION

1. Electricity	Nil	Nil
2. Furnace Oil	Nil	Nil
3. Coal	Nil	Nil
4. Others	Nil	Nil

II. TECHNOLOGY ABSORPTION

FORM B

A) Research & Development (R & D):

- i) Specific areas in which Research and Development carried out by the Company.

The company shall set up a Research and Development Department which will focus on productivity, quality and waste reduction.

- ii) Benefits derived as a result of above R & D:

The company shall expect product improvement in quality and quantity.

- iii) Future Plans:

The Company shall continuously take steps for innovation and renovation of products including new product developments.

- iv) Expenditure on R & D:

a) Capital (Rs.)	Nil
b) Recurring (Rs.)	Nil
c) Total (Rs.)	Nil

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Company is in the process of setting up new project and no production has started as yet. The company is going to import the latest ultra modern machinery for the project which will enable the company to produce quality products at lowest cost of production.

Benefits derived as result of above efforts:

With the above measures, company shall enjoy the benefit of improved quality, productivity & saving in manufacturing costs.

Information regarding Technology imported during the last five years NIL

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

- (I) Activities relating to Exports, initiative taken to increase exports, Development of New Export Markets for products and export plans
- Since the company is in the process of implementing the BOPP Project. It will take effective steps to explore the export markets so that it can export its products.

Current Year Previous Year

(II) Total Foreign Exchange used and earned		
a) Foreign Exchange Outgo (Rs.)	Nil	Nil
b) Foreign Exchange earned (Rs.)	Nil	Nil

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA

JAWAHAR LAL OSWAL

DATED: 31st July, 2008

(Chairman)