



NEEMTEK ORGANIC PRODUCTS LIMITED
(FORMERLY ISHWAR TEXTILES LIMITED)



CERTIFIED TRUE COPY

For Neemtek Organic Products Limited,

A handwritten signature in black ink, appearing to read "V. Krishna", is written over the printed name.

Chief Executive Officer

21ST ANNUAL REPORT
2003-04

NEEMTEK ORGANIC PRODUCTS LIMITED
(FORMERLY ISHWAR TEXTILES LIMITED)

BOARD OF DIRECTORS

Mr. V. Krishnan – Director

Mr. C. Subramaniam – Director

Mr. Prem Rajani – Director

REGISTERED OFFICE

B-107, Neelam Centre

Hind Cycle Road

Worli, Mumbai – 400 030.

AUDITORS

Agarwal Vijay & Associates

Chartered Accountants

503, Jolly Bhavan 1

New Marine Lines

Mumbai – 400 020.

REGISTRARS

Mondkar Computers Private Limited

21, Shakil Niwas

Mahakali Caves Road

Andheri (East)

Mumbai – 400 093.

**NEEMTEK ORGANIC PRODUCTS LIMITED
(FORMERLY ISHWAR TEXTILES LIMITED)**

Registered Office: B-107, Neelam Centre, Hind Cycle Road, Mumbai – 400 030

NOTICE

Notice is hereby given that the 21st Annual General Meeting of Neemtek Organic Products Limited will be held at Sunville Banquet & Conference rooms (Executive Room), Dr. Annie Besant Road, Worli, Mumbai – 400 030 on Monday, September 27, 2004 at 3.00 p.m to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2004 and Profit & Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. V. Krishnan who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors of the Company for the ensuing year and fix their remuneration.

SPECIAL BUSINESS:

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

“Resolved that Mr C. Subramaniam, Additional Director of the company appointed by the Board under Sec. 260 of the Companies Act, 1956 and in respect whose appointment notice from members under Sec. 257 of the Companies Act, 1956 has been received, be and is hereby appointed Director of the Company”

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

“Resolved that Mr Prem Rajani, Additional Director of the company appointed by the Board under Sec. 260 of the Companies Act, 1956 and in respect whose appointment notice from members under Sec. 257 of the Companies Act, 1956 has been received, be and is hereby appointed Director of the Company”

For and on behalf of the Board

Place: Mumbai
Date: August 31, 2004

V. Krishnan
Director

NOTES:

1. A member entitled to attend any vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company and the proxy form has to be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. Register of members and Share Transfer Books will remain closed from September 23, 2004 to September 27, 2004 (both days inclusive).
3. Members/Proxies should bring the Attendance slip filled in for attending the meeting.
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at the earliest to enable the company to keep the information ready.
5. Shareholders are requested to bring their copy of the Annual Report to the meeting.
6. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in relation to item No. 4 & 5 of the Special Business is annexed.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE DATED AUGUST 31, 2004.

Item No.4 & 5

The Board of Directors of the Company appointed Mr. Prem Rajani and Mr. C. Subramaniam as Additional Directors of the Company on February 20, 2004. Pursuant to provisions of Sec 260 of the Companies Act, 1956, Mr. Prem Rajani and Mr. C. Subramaniam will hold office as additional Directors upto the date of the ensuing Annual General Meeting. The Company has received notices in writing from members proposing the candidature of Mr. Prem Rajani and Mr. C. Subramaniam as Directors of the Company pursuant to the provisions of Section 257 of the Companies Act, 1956.

Mr. Prem Rajani

Mr. Prem Rajani, aged 37, is an advocate and solicitor by profession. He holds a degree in law from Government Law College and has passed Solicitors examinations conducted by the Bombay Incorporated Law Society and The Law Society, London. He is the founder and partner of Rajani Associates, which is a law firm specialising in rendering legal services in various branches of law. He has an experience of more than 12 years and has worked with Jamshedji Rustomji Devidas Jani & Merchant, Solicitors and Crawford Bayley & Co., Solicitors. His areas of expertise include Companies Act, SEBI Act, Insurance Laws and related legislation, IPOs, GDRs, ADRs, FCCBs, FRNs, Private Placement, ESOPs, setting up FIIs, MFs, VCFs, FVCIs, domestic and overseas, External Commercial Borrowings, Securitisation, Structured Finance, Debt Instruments, Project Financing and Infrastructure Projects, Information Technology & E-commerce, which includes ISP, ASP, WAP, portals, Ecommerce, Technical documentation, Software Licenses, Venture Capital Funding, Corporate Structuring, Mergers and Acquisitions, Joint Ventures and Foreign Collaboration.

Mr. C. Subramaniam

Mr. C. Subramaniam, aged 49 years, holds a Masters degree in Commerce from University of Mumbai and professional qualifications in Cost and Works Accountancy of India (ICWAI), Diploma in Financial Management (DFM) and Diploma in Operations Research for Management (DORM). He worked in industry between 1979-1984 before entrepreneur. His areas of expertise include corporate finance matters, general management and manufacturing

Keeping in view their knowledge, it will be in the interest of the Company that Mr. Prem Rajani and Mr. C. Subramaniam are appointed as Directors of the Company.

The Board of Directors of the Company recommend these resolutions.

Save and except Mr. Prem Rajani and Mr. C. Subramaniam, none of the Directors of the Company is, in any way, deemed to be interested in the resolutions.

For and on behalf of the Board

**Place: Mumbai
Date: August 31, 2004**

**V. Krishnan
Director**



**NEEMTEK ORGANIC PRODUCTS LIMITED
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DIRECTOR'S REPORT

To the Members,

The Directors hereby present the Annual Report together with audited statement of accounts for the year ended March 31, 2004.

| FINANCIAL RESULTS | 2003-2004 | 2002-2003 |
|-------------------------|-------------|-------------|
| | (Rs. lakhs) | (Rs. lakhs) |
| Total Income | 8.32 | 1.30 |
| Total Expenses | 16.12 | 1.06 |
| Profit Before Tax (PBT) | (7.80) | 0.24 |
| Provision for Tax | -- | 0.21 |
| Profit After Tax (PAT) | (7.80) | 0.03 |

DIVIDEND

Due to the losses, your Directors regret their inability to recommend any dividend for the year.

REVIEW OF OPERATIONS

The operations of the Company have been satisfactory during the year.

CHANGE OF NAME

The name of the Company was changed from Ishwar Textiles Limited to Neemtek Organic Products Limited w.e.f. 29/09/2003 under the Companies Act, 1956 and a fresh certificate of incorporation was obtained on 21/10/2003 from Registrar of Companies, Maharashtra, Mumbai.

COMPLIANCE CERTIFICATE

As per requirement of Section 383A of the Companies Act, 1956, Compliance Certificate of a Company Secretary in Whole – Time practice is being attached with this Directors' Report.

INCREASE IN AUTHORISED CAPITAL

During the year the authorised capital of the Company was increased from Rs. 25 lakhs consisting of 2,50,000 Equity Shares of Rs. 10/- each to Rs. 2 crores consisting of 20,00,000 Equity Shares of Rs. 10/- each which was duly approved by the shareholders in the Annual General Meeting on September 29, 2003.

RIGHTS ISSUE OFFER BY THE COMPANY

The Board of Directors at their meeting held on January 22, 2004 have decided to Issue 14,70,000 Equity Shares of Rs. 10/- each at par for cash aggregating to Rs. 147,00,000/- on Rights Basis in the ratio of SIX Equity Shares for EVERY Equity Share held by the shareholders as on the record date which will be fixed later. The Offer Document was filed with SEBI April 7, 2004. SEBI's observations were received on April 28, 2004 and were appropriately explained vide the Company's reply dated May 19, 2004.

OPEN OFFER BY INGA MANAGEMENT AND INVESTMENT PVT. LTD.

Inga Management and Investment Pvt Ltd entered into an agreement with Mr. Sushil Kumar Sanghai and Mr. Gaurav Kumar Sanghai and acquired 40,000 Equity Shares representing 16.33% of the paid up capital of the Company on July 12, 2003. Pursuant to this agreement Inga Management and Investment Pvt Ltd made an Open Offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and acquired a further 49,000 Equity Shares representing 20% of the equity share capital of the Company on from the existing shareholders at a price of Rs. 10/- per Equity Share. The documents for transfer were duly received and the shares were transferred to Inga Management and Investment Pvt. Ltd. on November 27, 2003.

LISTING

Equity Shares of the Company are listed on the Mumbai Stock Exchange.

DIRECTORS

Mr. Prem Rajani and Mr. C. Subramaniam have been appointed as Additional Directors of the Company on February 20, 2004. They are proposed to be appointed as Directors in the ensuing Annual General Meeting of the Company.

Mr. V. Krishnan, retires by rotation, and being eligible offers himself for re-appointment.

Mr. S. Venkatesh and Ms. Roopa Parameswaran have resigned from the Board with effect from February 27, 2004. The Board places on record their warm appreciation of the services rendered by Mr. S.Venkatesh and Ms. Roopa Parameswaran during their tenure as Directors.

DEMATERIALISATION OF SHARES

The Company has admitted its Equity Shares in the Depository System of "Central Depository Services (India) Ltd." (CDSL) & "National Securities Depository Services Ltd." (NSDL). The ISIN number allotted to the Company is "INE706D01018".

REGISTRAR & SHARE TRANSFER AGENT

The Company has appointed M/s. Mondkar Computers Pvt. Ltd. as its Registrar for providing share transfer services as well as demat connectivity with NSDL and CDSL.

AUDITORS

M/s Agrawal Vijay & Associates, Chartered Accountants, who have been appointed as the Statutory Auditors of the Company would hold office until the conclusion of the ensuing Annual General Meeting. They have offered themselves for reappointment.

PARTICULARS OF EMPLOYEES

During the year under review, the Company has not employed any person who was in receipt of remuneration exceeding the sum prescribed under the Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

DEPOSITS

The Company has not accepted any deposits from public. There was no un-claimed or un-paid deposits as on March 31, 2004.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibilities Statement, it is hereby confirmed as under:

- i. That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. That the directors have selected such accounting policies and applied them consistently and made judgment 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 ended March 31, 2004 and of the profit or loss of the Company for that year.
- iii. That the directors have taken proper and sufficient care of 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
- iv. That the directors have prepared the annual accounts on going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGOING

The information pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are annexed.

ACKNOWLEDGEMENT

The Board of Directors thank the Company's promoters, shareholders, and bankers for their continued support.

For and on behalf of the Board

Place: Mumbai
Date: August 12, 2004

V. Krishnan
Director

