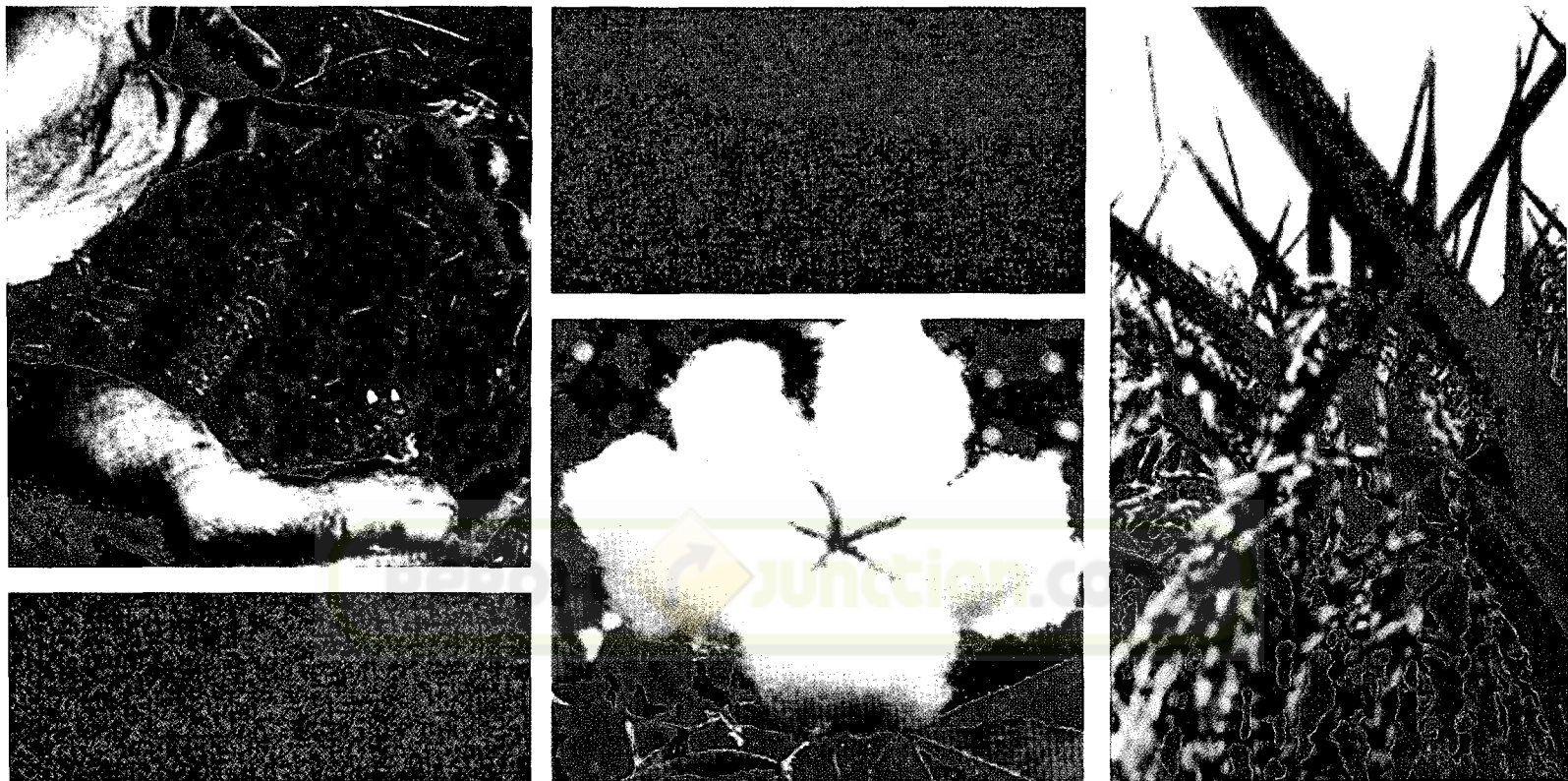




*Ensure the richness of your fields
with the goodness of Neem.*



24TH ANNUAL REPORT



Neemtek Organic Products Limited
(Formerly Known as Ishwar Textiles Limited)

Registered Office

Unit No. 307, Solaris Premises II
Saki Vihar Road
Opposite L & T Gate No. 6
Powai
Andheri (East)
Mumbai 400 072

Factory

Plot No. 1/273 A, MBT Road
Yeranthangal Village
Katpadi Taluk
Vellore District
Tamil Nadu 632 519

Board of Directors

Mr. Prem Rajani
Ms. Salisha Chandra
Mr. Ajay Shanghavi

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

Company Secretary and Chief Financial Officer

K. Venkataramani

NEEMTEK ORGANIC PRODUCTS LIMITED
(FORMERLY KNOWN AS ISHWAR TEXTILES LIMITED)
Registered Office: Unit No. 307, Solaris Premises II, Saki Vihar Road,
Opposite L & T Gate No. 6, Powai, Andheri (East), Mumbai 400 072

NOTICE

Notice is hereby given that the 24th 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 Saturday, August 11, 2007, at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2007, 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 Ms Salisha Chandra, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Auditors of the Company for the ensuing year and fix their remuneration.

NOTES:

1. A member entitled to attend and 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. 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 August 6th to August 11th (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.

For and on behalf of the Board

Sd/-

Place: Mumbai
Date: July 16, 2007

(K.Venkataramani)
Company Secretary and Chief Financial Officer

NEEMTEK ORGANIC PRODUCTS LIMITED
(FORMERLY KNOWN AS ISHWAR TEXTILES LIMITED)

DIRECTORS' REPORT

To the Members,

The Directors hereby present the 24th Annual Report together with audited statement of accounts for the year ended March 31, 2007.

FINANCIAL RESULTS	2006-2007	2005-2006
	(Rs. lakhs)	(Rs. lakhs)
Total Income	119.86	47.38
Total Expenses	142.88	88.64
Profit Before Tax (PBT)	(23.02)	(41.26)

DIVIDEND

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

REVIEW OF OPERATIONS

This was the first full year of operations of the company after commissioning of the neem extract plant.

During the year under review, the company successfully stabilized the process parameters and commenced the marketing activity for neem extract. Your directors have pleasure in informing you that the acceptance to our product in the market is extremely satisfactory and your company would endeavour to keep pace with technology changes thereby offering the product with consistent quality.

The operations in the Manure segment has been picking up steadily and your company hopes to consolidate on its early success in this segment.

MANAGEMENT DISCUSSION AND ANALYSIS

Your Company has identified certain core areas for improvement in throughput and maintenance of consistent quality. The action plan for implementation has been drawn up and would be put into practice in stages during the current year. The Company has borrowed funds for its working capital requirement through Inter-corporate Deposits amounting to Rs.30,00,000/- & through Cash Credit Facility from UTI Bank amounting to Rs.24,49,827/- during the year 2006-07. The Directors hereby confirm that the funds so received have been applied for meeting the Working Capital requirements of the company.

COMPLIANCE CERTIFICATE

Mr. K.Venkataramani is the Company Secretary and Chief Financial Officer of the Company. As per requirement of Section 383A of the Companies Act, 1956, Compliance Certificate of a Company Secretary in Whole-Time practice is not required as the Company has appointed a Whole-Time Company Secretary.

EQUITY CHANGES

There is no change in Equity of the Company from last year.

LISTING

The Equity Shares of the Company are listed on the Mumbai Stock Exchange. The listing fees to the Mumbai Stock Exchange have been paid upto March 31, 2008.

DIRECTORS

Ms Salisha Chandra. retires by rotation, and being eligible offers herself for re-appointment.

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 Agarwal 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 submitted their resignation as Statutory Auditors. The Board accepts their resignation. The Board would also like to place on record their sincere appreciation for the help rendered by M/s Agrawal Vijay & Associates in the course of their association with the company.

The Company has received notice from a member suggesting a firm of auditors in Chennai and on our request CNGSN & Associates, Chartered Accountants, Chennai have indicated their willingness to act as statutory auditors and have provided a certificate , regarding their eligibility under Section 224 (1B) of the Companies Act, 1956. They were hitherto the Internal auditors of the Company. The Board recommends their appointment.

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 were no unclaimed or unpaid deposits as on March 31, 2007.

EVENTS AFTER THE BALANCE SHEET DATE

Mrs. Sarayu Somaiya entered into a Share Purchase Agreement dated April 10, 2007, with Inga Management and Investment Private Limited, Promoters of the Company, to acquire from them, 8,46,070 equity shares, representing 46.21 per cent of the capital of the company. We have been informed by Mrs. Somaiya that she has also entered into separate agreements with some other shareholders to acquire 4,32,460 equity shares representing an additional 23.62 per cent of the equity of the company. In keeping with the guidelines issued by the SEBI Takeover Code, she has made an offer to acquire from the Public 3,66,200 additional shares at a price of Rs.10/- each.

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, 2007 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, auditors, shareholders, bankers and employees for their continued support.

For and on behalf of the Board

Sd/-

Sd/-

Place: Mumbai
Date: July 16, 2007

(Prem Rajani)
Director

(Ajay Shanghavi)
Director

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ANNEXURE TO DIRECTORS' REPORT

1. CONSERVATION OF ENERGY

The Company has set the basic parameters for power consumption. Constant efforts are on to study the process and take measures for conservation of energy.

2. RESEARCH AND DEVELOPMENT

- | | | |
|---------------------------------------------------------------|---|----------------------------------------------------------------------------------|
| a. Specific areas in which R&D was carried out by the Company |) | The core product of the Company is Neem Extract. Basic process |
| b. Benefits derived as a result of the above R&D |) | requirements to ensure stability of the Neem Extract at the higher purity levels |
| c. Future plan of action |) | are being studied as of now. |
| d. Expenditure on R&D |) | |

3. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

This was the first full year after commissioning of the neem extract plant. Constant efforts are in progress to increase the yield and purity level of neem extract.

4. FOREIGN EXCHANGE EARNING AND OUTGOING

- | | | |
|-------------------------------------------|---|----------------------------------------------------------------------------|
| a. Activities relating to exports |) | The Company has commenced |
| b. Initiatives taken to increase exports |) | marketing activities and is in the |
| c. Development of new export markets |) | process of sending samples of its products to various potential customers. |
| d. Export Plans |) | |
| e. Total Foreign exchange used and earned |) | |

For and on behalf of the Board

Sd/-

Sd/-

Place: Mumbai
Date: July 16, 2007

(Prem Rajani)
Director

(Ajay Shanghavi)
Director