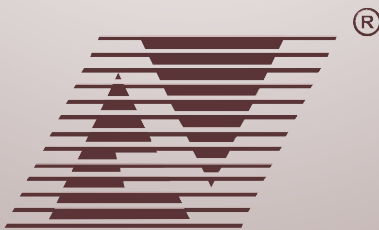


23rd
Annual Report
2011-2012

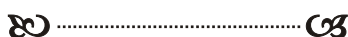


NISSAN COPPER LIMITED

Hello Shareholders,

It gives me pleasure to communicate with you once again. During the year, the Company has successfully installed phase II of its new plant situated at Silvassa and successfully started its production on 9th November 2011. However, delay in project installation and production resulted in high finance cost and over head cost which ended the year on a low side. This resulted Company to approach Corporate Debt Restructuring (CDR) Cell through its lead banker to restructure the Capital of the Company. You will be pleased to know that the CDR CELL had admitted the Company to fix up the Capital Debt Restructuring scheme. I am sure that once the restructuring is implemented the Company would be back in its blooming colors. I believe in the famous quote of Sir Winston Churchill that "Success is not final, failure is not fatal: it is the courage to continue that counts." The road ahead is full of challenges but the company armed with the passion and the indomitable spirit to achieve success is determined to overcome the challenges. I would like to thank all of you for being with us in this rough phase and assure you that in upcoming years the Company shall give a better performance.

Sd/-
(Sanjay Mardia)
Chairman



FINANCIAL HIGHLIGHTS FOR THE LAST FIVE YEARS

FINANCIAL YEAR ENDED	2011-12	2010-11	2009-10	2008-09	2007-08
Sales (Net of Excise)	28,148.16	28,489.72	17,947.78	13,463.61	12,865.76
Growth in sale	-1%	59%	33%	5%	36%
Profit before depreciation, Interest & Tax (EBDIT)	3,379.55	3,306.91	2,418.99	1,527.46	1,745.08
Depreciation	1,036.21	470.87	406.92	464.74	272.71
Interest & Financial charges	2,461.95	1,117.91	803.48	784.51	411.29
Profit before Tax	(118.62)	1,718.13	1,208.60	278.21	1,061.08
Income Tax	73.35	463.87	295.93	64.80	119.38
Profit After Tax	(191.97)	1,254.26	912.66	213.41	941.70
Equity Share Capital	6,285.59	6,285.59	2,897.69	1,455.59	1,455.59
Reserves & Surplus	15,759.32	14,128.77	5,383.36	4,063.36	3,613.10
Net Worth	22,044.91	20,414.36	8,593.31	5,370.58	4,899.03
Earning per Share (EPS)	(0.31)	2.32	6.01	1.47	6.47
Cash Earning per Share (CEPS)	1.34	3.19	8.51	4.66	8.34
Sales per Share (Rs.)	44.78	45.33	61.94	92.50	88.39
Book Value per Share (Rs.)	35.07	32.48	29.66	36.90	33.66

Your Company has consolidated its Equity share of the face value of Re. 1/- (Rupee One) each into One Equity share of the face value Rs. 10/- (Rupees Ten) each, pursuant to Shareholders approval on 16th Day of September 2011, and was effected from the Record Date i.e. 3rd October 2011. The Face value of Paid up Capital for the corresponding previous periods is also considered at Rs.10/- per share for comparison of EPS etc. During the year ended 31st March 2012, the Revised Schedule VI notified under the Companies Act, 1956 has become applicable to the company, for the preparation and presentation of its financial statements. Hence, for comparison purpose the corresponding previous period figures have also been modified accordingly.

Board of Directors:

Mr. Sanjay S. Mardia	Chairman
Mr. Ratanlal S. Mardia	Managing Director
Mr. Atul S. Mardia	Executive Director
Mr. Nitin Mehta	Independent Director
(upto 03/10/2011)	
Mr. Praveen Shah	Independent Director
Mr. Shailesh Shah	Independent Director
Mr. Vijay Dutt Vyas	Independent Director
(w.e.f. 03/10/2011 upto 27/06/2012)	

Chief Financial Officer

Mr. Hires S. Luhar

Company Secretary

Mr. Vedit Narsana (w.e.f. 03/10/2011)

Auditors:**I - Statutory Auditors**

M/s. R.C. Jain & Associates
Chartered Accountants
Mumbai

M/s. KSI Shah & Associates
Chartered Accountants
Dubai- U.A.E

II Internal Auditors

M/s. Kothawade & Laddha
Chartered Accountants
Mumbai

Bankers:

State Bank of India
Indian Overseas Bank
State Bank of Patiala
Union Bank of India

Registered Office:

168/2/1, Rudana, Khanvel, Silvassa
Dadra Nagar Havelli-396230
(Shifted on 25/08/2011)

E-mail: query@nissancopper.com

Corporate Office:

903-906, 9th floor, Raheja Chambers,
Nariman Point, Mumbai-400 021

Marketing Office:

8, Badrika Ashram, 1st Khetwadi Lane,
Metal Market, Mumbai-400 004

Manufacturing Units:**Unit I,**

J/20, G. I. D. C, Umbergaon, Gujarat-396171.

Unit - II

Survey No. 168/2/1, Rudana Village,
Khanvel, Silvassa-396230.

Unit-III

Survey No. 168/2/2/1, Rudana Village,
Khanvel, Silvassa-396230.

Website: www.nissancopper.com

Share Transfer Agent:

M/s. Bigshare Services Pvt. Ltd.
E-2 & 3, Ansa Industrial Estate,
Sakivihar, Andheri (E),
Mumbai-400 072.
Email: ansar@bigshareonline.com
Website: www.bigshareonline.com

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NISSAN COPPER LIMITED

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the members of **Nissan Copper Limited** will be held on Saturday, the 29th of September 2012 at 11.00 a.m. at Golden Pond Resort, Survey no. 62/1/P, Village Chauda, Khanvel, U.T Dadra Nagar Havelli 396 230 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2012, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Praveen Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. R. C. Jain & Associates, having firm registration no. 103952W, Chartered Accountants 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 and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Mr. Nitin Mehta whose candidature is proposed for the office of a Director of the Company by a member by way of notice in writing pursuant to Section 257 of the Companies Act, 1956 along with requisite deposit of Rs. 500/-, be and is hereby appointed as a Director of the Company."

By order of the Board,

**Sd/-
Vidit Narsana
Company Secretary**

Place: Mumbai

Date: 3rd September, 2012

Registered Office:

Nissan Copper Ltd.
168/2/1, Rudana,
Khanvel, Silvassa,
Dadra Nagar Havelli-396230.

NOTES:

1. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, relating to special business to be transacted at the meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY, WHO NEED NOT BE A MEMBER, TO ATTEND AND VOTE ON BEHALF OF HIMSELF/HERSELF. The instruments appointing the Proxy should be deposited at the Registered Office of the Company not less than 48 (forty eight) hours before the commencement of the Meeting.**
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Nos. and those who hold shares in Physical form are requested to write their Folio Number in the attendance slip while attending the Meeting for easy identification of attendance at the Meeting.
4. Pursuant to Section 154 of the Companies Act, 1956 the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 25th September, 2012 to Friday, 28th September, 2012, both days inclusive.
5. Members are requested to:
 - i) Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March, 2012, so as to enable the Company to keep the information ready.
 - ii) Bring their copy of the Annual Report and the Attendance Slip at the Annual General Meeting.
 - iii) Intimate to the Registrar & Transfer Agent (R&TA) of the Company immediately, about any change in their addresses. Where the shares are held in electronic form such change is to be informed to the Depository Participant (DP) and not to the Company / R & TA.
 - iv) Quote Registered Folio Number or DP ID/ Client ID in all the correspondence.
 - v) Approach the R&TA of the Company for consolidation of folios.
 - vi) Furnish bank account details to the R&TA/ Depository Participant to prevent fraudulent encashment of dividend warrants.
 - vii) Avail of Nomination facility by filling in and forwarding the nomination form to the R&TA, if not already done.
 - viii) Send all share transfer lodgments (physical mode) / correspondence to the **R&TA** of the Company - M/s. Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Sakivihar Road, Andheri (E), Mumbai-400 072 up to the date of book closure.
6. Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, dividends which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to Section 205C of the Companies Act, 1956. Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Sr. no.	Financial Year	Date of Declaration	Date of transfer to Unpaid Dividend Account	Due Date for transfer to Investor Protection and Education Fund
1.	2006-07	20/09/2007	22/10/2007	21/10/2014
2.	2007-08	08/09/2008	09/10/2008	08/10/2015
3.	2008-09	20/07/2009	21/08/2009	20/08/2016
4.	2009-10	08/04/2010	10/05/2010	09/05/2017

According to the provisions of the Act, shareholders are requested to note that the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF.

Also, it may be noted that the unclaimed dividend in respect of the financial year 2006-07 is due for transfer to the IEPF on 21st October, 2014. Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st March, 2007 onwards, are requested to make their claims to the Company accordingly, without any delay.



Further to bring to the notice of shareholders, the Ministry of Corporate Affairs have also issued a notification no. G.S.R 352(E), dated 10/05/2012 named as Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rule 2012, according to which the Company has to file the details of the said amount in e-Form 5INV, within 90 days from the Annual General Meeting each year until seven years. The Company is duly complying with the said requirements.

7. Appointment/Re-appointment of Directors:

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting (in pursuance of Clause 49 (IV) (G) of the Listing Agreement)

Name of the Director	Mr. Praveen Shah	Mr. Nitin Mehta
Date of Birth	20/04/1962	24/09/1963
Date of Appointment	09/05/2006	-----
Qualifications	S.S.C	Textile Engineering
Profile	Mr. Shah entered the Textile business in 1991 by associating in his family owned firm called Ambica Textile Industries. He joined as a director in Ambica Fabrics Private Limited after the family shifted their business in the new corporate entity. He is also a Partner in Balaji Plastic. He is associated with Nissan Copper Limited since 09th May, 2006	Mr. Mehta has done his graduation in Textile Engineering and holds Diploma in Manmade Textile Technology from Mumbai University. He got associated with Mahalaxmi Textile Industries in the year 1988 as partner and has experience of 22 years.
Name of the Companies in which he holds Directorship	NIL	NIL
Memberships & Chairmanships of committees of the Board in other companies	NIL	NIL
Shareholdings in the Company	Nil	NIL
Relationship between Directors inter-se	N.A	N.A

8. Members/ Proxies are requested to bring the Attendance Slip duly filled up for attending the Meeting.
9. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies after considering Sections 2, 4, 5 and 81 of the Information Technology Act, 2000 for legal validity of compliances under Companies Act through electronic mode. Under the Information Technology Act, 2000, service of documents in electronic mode is permitted. Also the acceptable mode of service of documents under 'Certificate of Posting' has been discontinued by the Department of Posts.

The Ministry of Corporate Affairs has further clarified that a Company would have complied Section 53 of the Companies Act, 1956, if the service of the document has been made through electronic mode provided that the Company has obtained **email addresses of its members** for sending the notice/ documents through e-mail by giving an advance opportunity to every shareholders to register their email address and changes therein from time to time with the Company. In case where any member has not registered his email-address with the Company, the service of document, etc. will be affected by other modes

of service as provided under Section 53 of the Companies Act, 1956. (Reference: Ministry of Corporate Affairs Circular no. 17/2011, dated April 21, 2011.)

Keeping in view of the theme underlying the circular issued by MCA, the Company had sent letters to Members for registering their email ids with RTA agent of the Company, if any members have not yet registered his or her email ids, we request you to register the same, enabling the Company to send documents like notice calling for Annual General Meeting, Audited Accounts, Directors' Report, Auditors' Report, etc. for the years to come by, on your registered email addresses. In case you desire to receive the documents mentioned above in physical form or change or register email address, you are requested to send an e-mail to query@nissancopper.com

10. Non-Resident Indian Members are requested to inform the Company/R&TA the following immediately:
 - i) Change in the residential status on return to India for permanent settlement.
 - ii) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
11. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
12. The Company's equity shares are listed on BSE Limited & National Stock Exchange Limited & its GDR are listed on Luxembourg Stock Exchange. All the listing fees, till date, have been paid.
13. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays, Sundays and Public Holidays until the date of the Annual General Meeting or any adjournment(s) thereof.

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

Item no. 4

Mr. Nitin Mehta, a textile engineer with an experience of more than 2 decades in textile industry was previously associated with Company. During his tenure as Director, the Company was immensely benefited from his experience and valuable inputs. After serving the Company for a period of 2 years, due to pre-occupancy, he had resigned from the Directorship of the Company. Post resignation of Mr. Vijay Dutt Vyas, there is a vacancy for the post of Independent Director in the Company.

As required under Section 257 of the Companies Act, 1956, a notice has been received from a member of the Company informing his intention to propose the candidature of Mr. Nitin Mehta as a Director of the Company along with a deposit of Rs.500/-. The Board is of the view that Mr. Mehta's knowledge and guidance should be utilized by appointing him as an Independent Director of the Company and the Board commends this resolution to the members for their approval as an Ordinary Resolution.

None of the Directors are interested in the said resolution except to the extent of their shareholding.

By order of the Board,

**Sd/-
Vidit Narsana
Company Secretary**

Place: Mumbai
Date: 3rd September, 2012

Registered Office:
Nissan Copper Ltd.
168/2/1, Rudana,
Khanvel, Silvassa,
Dadra Nagar Haveli-396230.

DIRECTORS' REPORT

To,
The Members,
NISSAN COPPER LIMITED

Your Directors are pleased to present the 23rd Annual Report and the Audited statement of Accounts of the Company for the financial year ended 31st March, 2012.

FINANCIAL RESULTS:

The Financial performance of your Company for the year under review is summarized below:

(Rs. in Lacs)

PARTICULARS	NISSAN COPPER STANDALONE		NISSAN COPPER GROUP	
	2011-12	2010-11	2011-12	2010-11
Revenue from Operations	28148.16	28489.72	28955.99	31715.66
Other Income	542.13	462.90	274.92	401.29
Total income	28690.29	28952.62	29230.91	32116.95
Consumption of Raw materials including stock adjustment	23772.15	24046.04	24544.34	27087.02
Manufacturing & Operating Costs	520.09	423.94	520.09	423.94
Employee Benefit Expenses	389.52	385.29	395.78	389.68
Other Expenditure	628.99	790.45	633.94	795.75
Total Expenditure	25310.75	25645.72	26094.15	28696.39
Profit before Depreciation, Finance Charges & Taxation	3379.55	3306.91	3136.76	3420.56
Less: Depreciation	1036.21	470.87	1036.21	470.87
Less: Finance Charges	2461.95	1117.91	2462.72	1119.50
Profit / (Loss) before Taxation	(118.62)	1718.13	(362.17)	1830.19
Less: Tax Expenses	73.35	463.88	73.35	463.88
Net Profit/ (Loss) after taxation	(191.97)	1254.26	(435.52)	1366.31

* The previous year's figures have been regrouped and rearranged wherever necessary as per the provisions of Revised Schedule VI.

FINANCIAL PERFORMANCE:

During the year under review, the Revenue from operations of your Company has decreased by 1.20 % from Rs.28,489.72 Lacs to Rs.28,148.16 Lacs.

The profit before Depreciation, Finance Cost and taxation has gone up to Rs.3,379.55 Lacs as compared to Rs.3,306.91 Lacs during the preceding year, registering a growth of over 2.20%. The current year has witnessed a net loss after tax of Rs. 191.97 Lacs. The Company has incurred loss during the year due to increase in depreciation on Plant and Machinery which are installed in Company's new plant and due to Capital Expenditure. However, the new plant is now fully operational and the Board is hopeful of better results in upcoming years.

The Company has also taken measures to adopt innovative strategies to increase the turnover and profitability of the Company. The Company is continuing its efforts to improve productivity and curtail costs. During the year under review, the Company's plants at Umbergaon & Silvassa have performed satisfactorily. The plants at Silvassa continue to be eligible for tax holidays pursuant to Section 80 IB of the Income Tax Act, 1956. The operation of the Company is carried in a single segment i.e. manufacturing and marketing of Copper Products.

OPERATIONAL PERFORMANCE:

The operational performance during the financial year was as follows:

PRODUCT	2011-12	2010-11	Variance
	MT	MT	(%)
Copper Pipes/ tubes	4202.970	3739.483	12.39 %
Copper Mother tubes/ Flats/ Rod/ Wire Bars/Sections	261.618	402.322	-34.97%
Copper ingots/ Billet Bars	461.048	1314.892	-64.94%
Other Product	1615.614	1933.283	-16.43%

Copper Mother Tubes/ Flats /sections are semi-finished goods which are used further for the production of final product i.e. Copper Pipes. During the year, the Company has reduced the sale of these semi- finished as the operation of new plant was started which allowed the Company to manufacture Copper Pipes directly. Hence, there is a decrease in its variance.

Further, there was an increase in sales of Copper pipes/tubes mentioned in the table due to which you could see increase in variances of these products

TRANSFER TO GENERAL RESERVE:

During the Financial year 2011-12, since the company has incurred loss, no amount has been transferred to the General Reserve.

DIVIDEND:

The Company has suffered loss during the year, hence the Board of Directors regret to declare any dividend for the current year.

SUBSIDIARY COMPANY:

The Company has a Wholly Owned subsidiary in the name of “NC Middle East FZE” in UAE (Ajman Free Zone) for the purpose of General trading, Import & Export of Copper & Copper Products. The accounts are audited by M/s KSI Shah & Associates, Chartered Accountants Dubai-U.A.E. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February, 2011 and 21st February, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956 i.e. attaching the Balance Sheet and Profit & Loss Account of the Subsidiary Company, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements. The Company will make available the Annual Accounts of the Subsidiary Company to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Company will also be kept open for inspection at the Registered Office of the Company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays, Sundays and Public Holidays.

FIXED DEPOSITS:

The Company has not accepted any deposit within the purview of Section 58A of the Companies Act, 1956 during the year under review.

CONSOLIDATION OF EQUITY SHARES OF THE COMPANY:

The Company had consolidated the face value of the Equity Shares from Re.1/- each to Rs.10/- each w.e.f. 03rd October, 2011 being record date, with the approval of the members at the Extra-ordinary General Meeting of the members of the Company held on 16th September, 2011.

CAPITAL DEBT RESTRUCTURING (CDR):

During the year, the phase II of its new plant situated at Silvassa was successfully installed. The Company was able to start its project in the November 2011 and the production successfully began from 9th February, 2012 instead of expected date October, 2010. Due to delay in project installation and initialization of production process, the Working Capital funds of the Company were badly eroded. Hence, the Company had to approach CDR cell through IDBI CAP to restructure the Capital of the Company. The CDR Cell in their meeting held on 25th June, 2012 admitted our Company to enter into CDR scheme.

DIRECTORS:

The Board of Directors of a Company provides leadership and strategic guidance, objective judgment, independent of management to the Company and exercise control over the Company, while remaining at all times accountable to the shareholders.

On 3/10/2011, Mr. Nitin Mehta resigned from Directorship and Mr. Vijay Dutt Vyas was appointed as an Independent Director who subsequently resigned on 27/6/2012.

In accordance with the provision of the Companies Act, 1956 and the Articles of Association of the Company, Mr.Praveen Shah, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.



The Company has received a letter under Section 257 of the Companies Act, 1956 from a member, proposing candidature of Mr. Nitin Mehta as a Director along with requisite deposit of Rs.500/- as required by the Act. The Company had included the resolution in the notice convening the Annual General Meeting for approval of the shareholders.

CORPORATE GOVERNANCE:

Your Company is committed to maintain the highest standard of Corporate Governance and adhere to the requirements set out by SEBI. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement, including the shareholder's information and auditors' certificate on its compliance, forms a part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements for the year ended March 31, 2012 have been prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the Accounting Standard (AS-21). The aforesaid statements, audited by the statutory auditors of the company have been filed with the stock exchanges as on May 30, 2012 and are also attached to the Annual Report. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary company. Also the Cash Flow Statement is provided in the Annual Report along with the Balance Sheet and Profit and Loss Account.

DEPOSITORIES:

The Company is registered with both the depositories viz. National Securities Depository Limited and Central Depository (Services) limited. The overseas depository of the Company is 'The Bank of New York Mellon Corporation' for GDR. The shareholders can take advantage of holding their scrips in dematerialized mode.

INSURANCE:

All the assets of the Company wherever necessary and to the extent required have been insured with the following Insurance Companies:

1. United India Insurance Co. Ltd.
2. L & T General Insurance Co. Ltd.
3. The New India Assurance Co. Ltd.

DIRECTORS RESPONSIBILITY STATEMENT:

In Compliance to the requirements of Section 217 (2AA) of the Companies Act 1956, your Directors confirm that:

- a) The Company has followed the applicable accounting standards in the preparation of the Annual Accounts and there had been no material departure, except accounts drawn as per revised Schedule VI as per the Companies Act, 1956.
- b) Directors had selected the accounting policies and applied them consistently and made judgments 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 of the Company for the year under review.
- c) The Directors have taken proper and sufficient care for 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.
- d) The Directors have prepared the Annual Accounts on a going concern basis.

AUDITORS AND AUDITORS' REPORT:

STATUTORY AUDITORS:

The present Statutory Auditors of the Company M/s R. C. Jain & Associates, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting. The Company has received a letter as required under section 224(1B) of the Companies Act, 1956 from M/s. R. C. Jain & Associates, Chartered Accountants, confirming their eligibility and willingness to act as Statutory Auditors, if re-appointed. The members are requested to appoint the Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting.

Your Directors have to state that with respect to contingent liability mentioned in the Auditors Report, the Auditors remark is self explanatory and explained in detail in note no. 36, 37 & 39 of Notes to Accounts. Further with reference to point no. 6 of Auditors Report, the Company had sent confirmation letter to all creditors and Debtors to confirm their balances. However, in the absence of any reply from some of the parties till the finalization of accounts, their balances outstanding as on 31st March, 2012 in the books of the Company has been considered.