

ORIENTAL VENEER PRODUCTS LTD.



13th Annual Report 2003/2004

REGISTERED OFFICE

At Post : Aghai, Via Kalyan (R.S.)
Dist Thane - 421 301

ORIENTAL VENEER PRODUCTS LTD.

BOARD OF DIRECTORS

MR. VALI N. MITHIBORWALA	-	Managing Director
MR. SALEH N. MITHIBORWALA	-	Director
MR. KARIM N. MITHIBORWALA	-	Director
MR. AFZAL PATEL	-	Director
MR. MUSTAFA PARDAWALA	-	Director
MR. K. H. DABILKAR	-	Director

REGISTERED OFFICE & WORKS

At Post : Aghai, Via Kalyan Rly. Stn., Dist. Thane, Pin - 421 301.

BANKERS

DEVELOPMENT CREDIT BANK LTD.

(Nariman Point Branch)

6, Tulsiani Chambers, Gr. Flr., Mumbai - 21.

AUDITORS

M/S. ANIL BANSAL & ASSOCIATES

Chartered Accountants

306, Kedia Chambers, S. V. Road, Malad (W),
Mumbai - 400 064.



M/S. N. B. SHETTY & COMPANY

Chartered Accountants

Western India House, 14/2, Sir P. M. Road, Fort,
Mumbai - 400 001.

NOTE

Members are requested to bring their copy of the **ANNUAL REPORT** alongwith them at the **ANNUAL GENERAL MEETING** as no separate copies will be distributed.

ORIENTAL VENEER PRODUCTS LTD.**NOTICE**

Notice is hereby given that 13th Annual General Meeting of the Members of M/s. ORIENTAL VENEER PRODUCTS LIMITED will be held at the Registered Office of the Company at Post : Aghai, Via Kalyan (Rly. Stn.), District : Thane : 421 301, on Thursday, September 30, 2004 at 10.00 a.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive , consider, approve and adopt the Balance Sheet as at March 31, 2004. Profit and Loss Account for the year ended as on date and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Afzal A. Patel who retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Mustafa S. Pardawala who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

For and On behalf of the
Board of Directors

VALI N. MITHIBORWALA
MANAGING DIRECTOR

Place : Mumbai
Date : 30/08/2004

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 should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.

The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday , September 28, 2004 to Thursday, September 30, 2004 (both days inclusive).

2. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.

3. All documents referred to in Notice are open for inspection at the Registered Office of the Company during Office hours on all days except Sunday, Wednesday and public holidays between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.

4. For convenience of the Members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of Meeting. The proxy Member should mark on the attendance slip as 'proxy'.

5. IF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, DIRECTOR'S REPORT & AUDITORS' REPORT, THE SAME SHOULD BE FORWARDED TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE MEETING SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS' SATISFACTION.

6. Members are requested to bring their copies of the reports to Annual General Meeting.

7. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folios alongwith Share Certificates to the Company.

8. In order to exercise strict control over the transfer documents, Members are requested to send the transfer documents/ correspondence, if any, directly to the Registrar & Share Transfer Agents of the Company at :

ADROIT CORPORATE SERVICES PVT. LTD.
(Unit : ORIENTAL VENEER PRODUCTS LTD.)
Add. : 9, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (E),
Mumbai - 400 059.

DIRECTOR'S REPORT

Your Directors have pleasure in presenting their Thirteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2004.

FINANCIAL HIGHLIGHTS

Particulars	As on 31st March 2004	As On 31st March 2003
Net Profit/(Loss) before Tax	85,91,997	8,621,397
Less : Income Tax for earlier year	NIL	NIL
Less : Provision for Tax	26,23,304	1,617,000
Less : Deferred Tax (See note 6)	(08,39,611)	(444,703)
Profit after tax	68,08,304	7,449,100
Transfer to General Reserve	35,00,000	60,00,000
Add : Previous year Bal.	3,83,71,336	3,89,22,236
Balance carried to Balance sheet	4,16,79,640	3,83,71,336

DIVIDEND :

The Board of Directors have decided to plough back the profits earned for the year ended March, 31, 2004 for development of the business of the Company and hence they do not recommend any dividend for the year under review.

DIRECTORS :

Pursuant to Article 39 of the Articles of Associations of the Company, Mr. Afzal A. Patel & Mr. Mustafa S. Pardawala, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT,
pursuant to Sec. 217(2AA) of the Companies Act. 1956.

(i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimated 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 or loss of the company for that period.

(iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) that the directors had prepared the annual accounts on a going concern basis.

ORIENTAL VENEER PRODUCTS LTD.**MANAGEMENT DISCUSSION AND ANALYSIS :****A) INDUSTRY STRUCTURE AND DEVELOPMENT :**

THE Industry is going through major changes worldwide.

B) OPPORTUNITIES & THREATS :

The Company does not see any immediate threat.

C) SEGMENT WISE OR PRODUCT WISE PERFORMANCE :

The Company is dealing in only one type of product and therefore there is nothing to report in this matter.

D) FUTURE OUTLOOK :

The Company is closely associated with railways, hence company intends to diversify into technology related products such as electronic panel and switch gear etc.

E) RISK & CONCERNS

The Company's main raw material is gurjan round logs and it is being imported.

F) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY :

The Company is having adequate internal control system related with the growth of size. Further the company has fully computerized working environment and all the departments are well equipped with the latest facilities available.

G) DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

As compared to last year the sales increased by 7.84 crores. This was mainly due to effective and aggressive steps taken by the Board of Directors of the Company in marketing the products of the Company. Further, the company has made a reasonable Net Profit After Tax of Rs. 68,08,304/- in the current year as compared to Rs. 74,49,100/- in the previous year.

H) MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED :

The Company has maintained good cordial relations with the employees of the Company and there were total 70 employees employed with the Company. Such type of healthy relationships with the employees helps in the smooth working of the Company.

CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement, a separate report on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

DISCLOSURE UNDER THE STOCK EXCHANGE LISTING AGREEMENT;

In accordance with the amended Listing Agreement with respective Stock Exchanges, it is hereby confirmed that the Company's Shares are listed at the Stock Exchanges at Mumbai and Bangalore.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, read with The Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

The information required under Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of Energy and Technology Absorption forms part of this report and is given by way of Annexure.

The details of Foreign Exchange earnings and outgo is given in Point No. 11, Note Nos. 10, & 11 in Notes forming part of Accounts (Schedule 13) as at March 31, 2004.

AUDITORS :

M/s. Anil Bansal & Associates, Chartered Accountants, Mumbai and M/s. N. B. Shetty & Co., Chartered Accountants, Mumbai, Joint Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES :

The Company has no employees of the specified categories under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

INDUSTRIAL RELATIONS. :

Industrial Relations remained cordial in the

Company's Plant without any disruption in manufacturing activities.

EXPLANATION U/S. 217(3) OF THE COMPANIES ACT, 1956:**Note No. 7 to Annexure to Auditor's Report:**

The Company is in the process of setting up Internal Audit System commensurate with the size and nature of its business operations.

ACKNOWLEDGMENTS :

The Board of Directors wishes to place on record its sincere appreciation for due co-operation received from the Company's Bankers. The Directors are also thankful to the employees at all levels for their continued support.

For and On behalf of the
Board of Directors

VALI N. MITHIBORWALA
MANAGING DIRECTOR
SALEH N. MITHIBORWALA
DIRECTOR

Place : Mumbai

Date : 30/08/2004

ANNEXURE TO DIRECTOR'S REPORT :

Information in terms of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

CONSERVATION OF ENERGY

Sustained efforts were directed towards Energy saving, reduction in use of power and other utilities.

TECHNOLOGY ABSORPTION :

The Company has carried out Research and Development in the form of process innovation and development of new products.

For and On behalf of the
Board of Directors

VALI N. MITHIBORWALA
MANAGING DIRECTOR

SALEH N. MITHIBORWALA
DIRECTOR

Place : Mumbai

Date : 30/08/2004

COMPANY'S PHILOSOPHY:

The basic philosophy of the Company towards

ORIENTAL VENEER PRODUCTS LTD.

Corporate Governance is to protect and enhance the long-term value of all the Stakeholders / Shareholders, Customers, Creditors and Employees. The Company is committed to achieve these objectives within regulatory framework through transparency in dealings.

The Company believes in the creative abilities of its people and lays a strong emphasis on team building, motivation and to perform differently to stay ahead. The Company is committed to benchmarking itself with global standard in all areas. It maintains quality standards by manufacturing to specifications, pricing, delivery and reliability for full customer satisfaction.

1. BOARD OF DIRECTORS :

COMPOSITION AND CATEGORY

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors meets with the requirements of Clause 49 (1) (A) of the Listing Agreement. None of the Directors on the Board is a member on more than ten Committees and Chairman of more than five Committees as per Clause 49 (IV) (B) across all Companies in which they are Directors.

The composition of the Board of Directors and also the number of other Board of Directors of which he is a member/Chairman are as under :

Name of Director	Category of Directorship	Directorship in other companies	No. of Board Committees (ORIENTAL VENEER PRODUCTS Ltd.) in which Chairman/Member	
			Chairman	Member
Mr. Vali N. Mithiborwala	Managing Director	Nil	Nil	Nil
Mr. Saleh N. Mithiborwala	Non-Executive Director	Nil	Nil	Nil
Mr. Karim N. Mithiborwala	Non-Executive Director	Nil	Nil	Nil
Mr. Afzal A. Patel	Non Executive Chairman & Independent Director	Nil	03	Nil
Mr. Mustafa S. Pardawala	Non Executive Independent Director	Nil	Nil	03
Mr. K. H. Dabilkar	Non Executive Independent Director	Nil	Nil	03

BOARD PROCEDURE :

The Board meets at least once a quarter to review the quarterly performance and the financial results. The Board's role, functions, responsibility and accountability are clearly defined. All major decisions involving policy formulations, business plans, annual operating budgets, compliance with statutory requirements, major accounting provision and write-offs are considered by the Board.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING :

Ten Board Meetings were held during the financial year ended March 31st 2004, the dates of which are 25/04/2003, 14/05/2003, 23/05/2003, 29/07/2003, 20/08/2003, 29/10/2003, 01/04/2004, 30/01/2004, 24/02/2004 & 01/03/2004. The attendance of each Director at Board Meetings and the Last Annual General Meeting is as under:

Name of the Director	No. of Board Meetings Attended	Attendance of Last AGM held on 25/09/2003
Mr. Vali N. Mithiborwala	10	Yes
Mr. Saleh N. Mithiborwala	10	Yes
Mr. Afzal A. Patel	10	Yes
Mr. Karim N. Mithiborwala	05	Yes
Mr. Mustafa S. Pardawala	07	No
Mr. K.H. Dabilkar	02	No

2. AUDIT COMMITTEE:

BOARD TERMS OF REFERENCE

The Audit Committee of the Company, inter-alia, acts as a control mechanism in the financial and other important departments of the Company. The terms of reference of the Audit Committee are in accordance with paragraphs C and D of Clause 49 (II) of the Listing Agreement and as specified by the Board of Directors of the Company.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by the Institute of Chartered Accountants of India during the year

COMPOSITION

The Company constituted Audit Committee with effect from 31/03/2003. The Audit Committee

comprises of Three Directors, all of whom are Non-Executive, Independent Directors. All these Directors possess knowledge of corporate finance, accounts and company law.

The Constitution of the Audit Committee is as follows:

NAMES OF MEMBERS	DESIGNATION
Mr. Afzal A. Patel	(Independent & Non-Exe. Director) Chairman
Mr. Mustafa S. Pardawala	(Independent & Non-Exe. Director) Member
Mr. K.H. Dabilkar	(Independent & Non-Exe. Director) Member

MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2004, Three (03) Audit Committee Meetings were held on 31/07/2003, 29/10/2003 & 30/01/2004

The attendance at the Audit Committee Meetings is as under:

Name of Director	No. of Meetings Attended
Mr. Afzal A. Patel	03 (Three)
Mr. Mustafa S. Pardawala	03 (Three)
Mr. K. H. Dabilkar	03 (Three)

3. REMUNERATION COMMITTEE :

To review, assess and recommend the appointment of Whole-time Directors.

COMPOSITION

The Company constituted Remuneration Committee with effect from 31/03/2003. The Remuneration Committee comprises of Three Directors, all of whom are Non-Executive, Independent Directors.

Mr. Afzal A. Patel	(Independent & Non-Exe. Director) Chairman
Mr. Mustafa S. Pardawala	(Independent & Non-Exe. Director) Member
Mr. K.H. Dabilkar	(Independent & Non-Exe. Director) Member

MEETINGS AND ATTENDANCE

One meeting of the committee was held during the financial year ended March 31, 2004 wherein all the Members of the Committee attended the same.

REMUNERATION POLICY :

A. Remuneration to all Directors :

ORIENTAL VENEER PRODUCTS LTD.

Nature of Transaction	Name of the Related Party	Quantum of Transactions
Directors Remuneration	Mr. Saleh N. Mithiborwala	60,000
Directors Remuneration	Mr. Vali N. Mithiborwala	4,20,000
Directors Remuneration	Mr. Karim N. Mithiborwala	3,60,000

4. SHAREHOLDER'S COMMITTEE:**FUNCTIONS**

The Board of ORIENTAL VENEER PRODUCTS LIMITED has constituted a Committee of Directors which also functions as 'Shareholders'/Investors Grievances Committee', consisting of three members, chaired by Non-executive Independent Director. The Committee inter alia, deals with various matters relating to:

- transfer/transmission of shares;
- issue of duplicate share certificates;
- investors, grievances and redressal mechanism and recommend measures to improve the level of investor services.

Details of shares transfer/transmission approved by the Committee and Shareholders'/Investors' grievances are placed at the Board Meetings from time to time.

COMPOSITION

After induction of independent and non executive Directors, the Shareholders Committee was reconstituted with effect from 31/03/2003. The reconstituted Committee of Directors is as under:

Mr. Afzal A. Patel (Independent & Non-Exe. Director) Chairman

Mr. Mustafa S. Pardwala (Independent & Non-Exe Director) Member

Mr. K.H. Dablikar (Independent & Non-Exe. Director) Member

MEETINGS AND ATTENDANCE

During the financial year ended 31-03-2004, Fifteen (15) Shareholders' Grievance Committee Meetings were held on 02/05/2003, 05/05/2003, 06/05/2003, 09/05/2003, 14/05/2003, 21/05/2003, 28/05/2003, 04/06/2003, 11/06/2003, 18/06/2003, 25/06/2003, 15/01/2004, 18/02/2004, 15/03/2004 & 26/03/2004.

Name of Director	No. of Meetings Attended
Mr. Afzal Patel	15
Mr. Mustafa Pardawala	15
Mr. K.H. Dablikar	15

COMPLIANCE OFFER :

The Board has designated Mr. Devendra Singh as the Compliance Officer of the Company.

DETAILS OF SHAREHOLDER'S COMPLAINTS RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFER'S

NIL

5. GENERAL BODY MEETING

Location and time, where last Three Annual General Meetings were held is given below :

Financial Year	Date	Location of the Meeting	Time
2000-2001	27/09/2001	Regd. Office of the Company	3.00 P.M.
2001-2002	20/09/2002	Regd. Office of the Company	10.00 AM.
2002-2003	26/09/2003	Regd. Office of the Company	10.00 AM.

6. DISCLOSURES :

a. Disclosures on materially significant related party transactions.

Kindly refer Point No. 7 [I] [A to C] of Notes to Accounts in Schedule No. 13 of Notes forming part of the Accounts for the relevant details.

b. Details of non compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company in general, has complied with all the provisions of the Stock Exchanges, SEBI or any statutory authority.

7. MEANS OF COMMUNICATION:

i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma

prescribed by Clause 41 of the Listing Agreement within one month of the close of the respective period.

ii. The approved financial results are forthwith sent to the Listed Stock Exchanges and are published in the newspapers as per the requirements of Clause 41.

iii Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

8. GENERAL SHAREHOLDER INFORMATION:

Detailed information in this regard provided in the shareholder information section forms part of this Annual Report.

SHAREHOLDER INFORMATION:

Registered Office	At Post: Aghai, Via Kalyan (R.S.) Dist., Thane - 421 301.
Annual General Meeting	Date & Time : Thursday, September 30, 2004 at 10.00 A.M. Venue : At Post : Aghai, Via Kalyan (R.S.) Dist. Thane - 421 301.
Date of Book Closure	Tuesday, September 28, 2004 to Thursday, September 30, 2004.
Dividend Payment Date	N.A.

Listing on Stock Exchanges :

Equity Shares of the Company are listed on Stock Exchanges at Mumbai & Bangalore.

Stock Code :

The Stock Exchange, Mumbai - 531859

The Stock Exchange, Bangalore - -----

Stock Market Data :

The monthly high and low quotations and volume of shares traded on the Stock Exchange, Mumbai are as under :

MONTH	High (Rs.)	Low (Rs.)	No. of Shares traded
April, 2003	NIL	NIL	NIL
May, 2003	NIL	NIL	NIL
June, 2003	NIL	NIL	NIL
July, 2003	NIL	NIL	NIL
Aug., 2003	NIL	NIL	NIL
Sept., 2003	NIL	NIL	NIL
Oct., 2003	NIL	NIL	NIL
Nov., 2003	1.20	1.20	100
Dec., 2003	NIL	NIL	NIL
Jan., 2004	NIL	NIL	NIL
Feb., 2004	NIL	NIL	NIL
March, 2004	NIL	NIL	NIL

ORIENTAL VENEER PRODUCTS LTD.**Registrar and Share Transfer Agents:**

In terms of SEBI Circular No. D&CC/FITTC/CIR - 15/2003 dated 27/12/2002 read with Circular No. D&CC/FITTC/CIR - 18/2003 dated 12/02/2003, on appointment of common agency for share registry work, the Company has appointed Adroit Corporate Services Private Limited having its office at 9, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400 059. as the Registrar and Share Transfer Agents of the Company for carrying out the Share Transfer Work.

Share Transfer System : Shares of the Company can be transferred by lodging Transfer Deeds and Share Certificates with the Company's Registrar and Share Transfer Agents at Adroit Corporate Services Private Limited.

The Company has constituted Share Transfer and Shareholders Grievance Committee of the Board of Directors of the Company.

Distribution of categories as on March 31, 2004.

Category	No. of shares	Percentage (%)
Foreign Holding	Nil	---
Government holding	Nil	---
Banks & Financial Institution	Nil	---
Bodies Corporate	8,94,600	16.59
Directors & Relatives	19,83,000	36.79
Top 50	19,18,200	35.59
Others	5,94,500	11.03
Total	53,90,300	100

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2004:

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 5000	56	29.946	20,300	0.376
5001-10000	15	8.021	13,400	0.249
10001-20000	7	3.743	11,400	0.211
20001-30000	3	1.604	7,700	0.143
30001-40000	1	0.535	3,500	0.065
40001-50000	12	6.417	53,500	0.993
50001 & above	93	49.733	52,80,500	97.963
GRAND TOTAL	187	100.00	53,90,300	100.00

Plant Location : At Post Aghai, Via Kalyan (R.S.) Dist. Thane - 421301.

Investor Correspondence :

ADROIT CORPORATE SERVICES PRIVATE LIMITED
[Unit : ORIENTAL VENEER PRODUCTS LIMITED]
 Add. : 9, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road,
 Marol Naka, Andheri (E), Mumbai - 400 059.

ORIENTAL VENEER PRODUCTS LTD.

ORIENTAL VENEER PRODUCTS LTD.

Regd. Office : Post : Aghai, Via Kalyan (Rly. Stn), District : Thane : 421301

AUDITORS' CERTIFICATE ON CLAUSE 49 COMPLIANCE

To the Members of **ORIENTAL VENEER PRODUCTS LIMITED,**

We have reviewed the records/documents concerning the Company's compliance of conditions of Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange, Mumbai and The Stock Exchange, Bangalore for the financial year ended 31st March, 2004, and also based on the information received by us from your Company, and based on such a review, we do hereby certify that :

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and the representations made by the Directors and the management. The Company's Share Transfer Committee has met within the Stipulated time as and when the transfer applications are lodged with the company.

We state that in respect of investor grievance received during the year ended 31st March, 2004, no investors grievance are pending against the Company as on 31st March, 2004, as per the records maintained by the Company and presented to the Investors / Shareholders Grievance Committee.

We further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

FOR Anil Bansal & Associates.
Chartered Accountants

FOR N.B. Shetty & Co.
Chartered Accountants

Anil Bansal
(Proprietor)

(Partner)

Place : Mumbai
Date : 30/08/2004