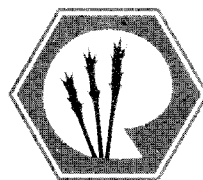


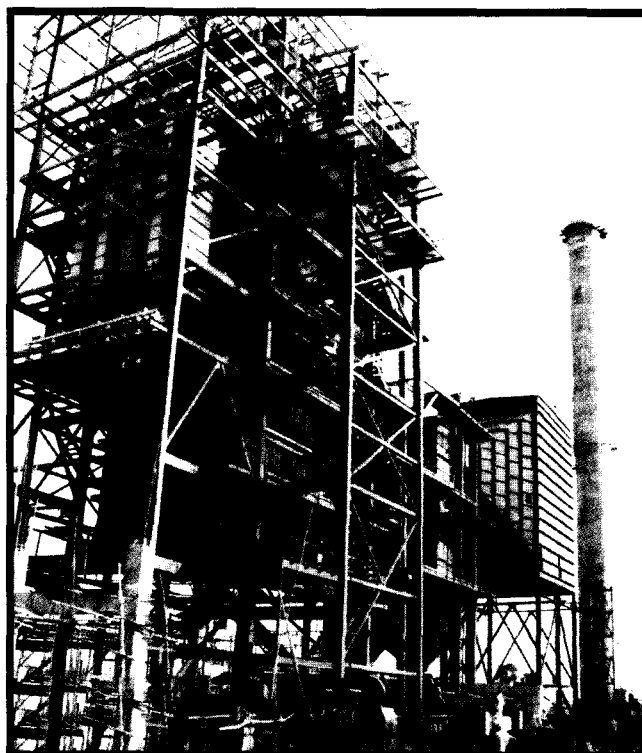
**15th
Annual Report
2005-06**



RANA SUGARS LIMITED



Distillery Unit - Punjab



Sugar Mill - U.P.

RANA SUGARS LIMITED



BOARD OF DIRECTORS

Rana Ranjit Singh	Chairman
Rana Inder Pratap Singh	Managing Director
Shri A.S. Sodhi	Director
Shri S.A.S. Bajwa	Director
Shri Baljit Singh	Director
Shri S.K. Duggal	Director
Rana Veer Pratap Singh	Director
Shri S.S. Sekhon	Director
Shri M.P. Singh	Director
Dr. Y.P. Abbi	Director (Nominee of IREDA)

COMPANY SECRETARY

Manmohan K. Raina

AUDITORS

Kansal Singla & Associates
Chartered Accountants
SCO 80-81, 4th Floor,
Sector 17-C, Chandigarh

COST AUDITORS

Verma, Verma & Associates
Cost Accountants
EE 255, Panj Peer,
Jalandhar

BANKERS

State Bank of India

Specialised Commercial Branch
Sector 17-B, Chandigarh

State Bank of Patiala

Commercial Branch
Sector 8-C, Chandigarh

Bank of Baroda

Sector 22-B, Chandigarh

UCO Bank

Sector 17-B, Chandigarh

State Bank of Bikaner & Jaipur

Sector 17-D, Chandigarh

State Bank of Hyderabad

Sector 34-A, Chandigarh

State Bank of Indore

Sector 34-A, Chandigarh

State Bank of Mysore

New Delhi

REGD. OFFICE

SCO 49-50, Sector 8-C,
Madhya Marg,
Chandigarh-160 009

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RANA SUGARS LIMITED

NOTICE

Notice is hereby given that the FIFTEENTH ANNUAL GENERAL MEETING of the Members of the Company shall be held as scheduled below:-

Day : Monday
 Date : 30th October, 2006
 Time : 3.00 P.M.
 Place : The Institution of Engineers (India),
 Madhya Marg, Sector 19-A,
 Chandigarh.

to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Accounts for the financial year ended 31st March, 2006 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Baljit Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S. S. Sekhon, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri A.S. Sodhi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT M/s. Kansal Singla & Associates, Chartered Accountants, Chandigarh the retiring Auditors be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company and that the Board of Directors be and is hereby authorised to fix their remuneration for the said period."

SPECIAL BUSINESS

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

"RESOLVED THAT the consent of the Company be and is hereby granted in terms of section 293(1)(a) and all other applicable provisions of the Companies Act, 1956 (including statutory modifications or re-enactment thereof for the time being in force), to the Board of Directors to mortgage and / or charge, in such form and manner which the Board may determine on all or any of the movable and / or immovable properties of the Company both present and future and / or the whole or any part of the undertaking of the Company availed / to be availed from the company's lenders by way of loan(s) subject to maximum limit of Rs.500.00 Crores (Rs. Five Hundred Crores) in accordance with the borrowing limits approved under section 293(1)(d) of the Companies Act, 1956 together with interest at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, premia and all other charges and expenses in respect of the said loan / borrowings and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in this behalf and agreed to between Board of Directors and the lender(s) viz. any Bank, Financial Institution/ Agency "

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents / deeds/writings / papers / agreements as may be required and do through authorized Directors / Principal officers of the Company all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or proper and to settle any question, difficulty or doubt that may arise in regard to creation of mortgages / charges as aforesaid."

"RESOLVED FURTHER THAT the mortgage/ charge created/ to be created and/ or all arrangements/ documents executed/ to be executed and all acts done in terms of the above resolution by and with the authority of the Board of Directors are hereby confirmed and ratified."

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

"RESOLVED THAT Shri M. P. Singh who was appointed as Additional Director of the Company on 1st December, 2005

RANA SUGARS LIMITED



and whose term of office expires under Section 260 of the Companies Act, 1956 at this Annual General Meeting and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company."

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

"RESOLVED THAT Shri S. K. Duggal who was appointed as Additional Director of the Company on 29th December, 2005 and whose term of office expires under Section 260 of the Companies Act, 1956 at this Annual General Meeting and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company."

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions under Section 269, Schedule XIII and other applicable provisions of the Companies Act, 1956, Rana Inder Pratap Singh be and is hereby appointed as Managing Director of the Company for a period of five years w.e.f. 31st January, 2006.

RESOLVED FURTHER that Rana Inder Pratap Singh will not be paid any remuneration for a period of one year from the date of his appointment."

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 81(1)(A) and other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company and the Listing Agreement with Stock Exchanges where the shares of the Company are listed and subject to the applicable Securities and Exchange Board of India Guidelines (SEBI Guidelines) and subject to such other rules and regulations, as may be applicable, and subject to the approval of Regulatory Authorities as may be necessary and subject to such conditions and modifications as may be imposed by such Regulatory Authorities, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to allot and issue 22,00,000 Equity Shares of the Company of Rs.10/- each at a premium of Rs.21/- per share aggregating to Rs.6,82,00,000/- calculated in accordance with relevant guidelines issued by SEBI/ Stock Exchanges to the following Directors/ Promoters:-

Sr. No.	Name of Allottees	Present holding No. of Shares	Proposed Allotment No. of Shares	Post Allotment No. of Shares	%age of Post Issue Capital
1.	Rana Inder Pratap Singh	3804100	5,50,000	4354100	5.68
2.	Rana Veer Pratap Singh	3804100	5,50,000	4354100	5.68
3.	Rana Karan Pratap Singh	3804100	5,50,000	4354100	5.68
4.	Rana Preet Inder Singh	3804100	5,50,000	4354100	5.68
	TOTAL :	15216400	22,00,000	17416400	22.72

"RESOLVED FURTHER THAT the Board be and is hereby authorised to allot and issue such number of Equity Shares as may be required and that the said Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions and stipulations made by regulatory authorities while granting approval to the Company for the issue of securities as aforesaid."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any committee of director(s) or any other officer of the Company and to do all such acts, matters, things and deeds and to take all such steps and do all such things and give all such directions as the Board may consider necessary, expedient or desirable and also to settle any questions or difficulties or doubts that may arise in regard to the offer/issue, allotment and utilization of the proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

By order of the Board
for RANA SUGARS LIMITED

Place : Chandigarh
Dated : 5th October, 2006

(MANMOHAN K. RAINA)
COMPANY SECRETARY



RANA SUGARS LIMITED

NOTES :

- (a) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under item No.6 to 10 set out above is annexed hereto.
- (b) 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 the proxy in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the meeting.
- (c) Members are requested to bring their copy of Annual Report alongwith them at the Meeting.
- (d) Members desirous of seeking any further information about the accounts and/or operations of the Company are requested to send their queries to the Secretary of the Company atleast seven days in advance of the Meeting so that the information, to the extent practicable, can be made available at the Meeting.

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

ITEM NO. 6

In order to avail loans/ financial assistance from financial institutions/ banks for expansion schemes and increased activities of the Company, the Company is required to create mortgage/ charge on its properties in favour of such lenders.

As per provisions of section 293(1)(a) of the Companies Act, 1956, the Board of Directors of the Company is required to be authorized by the Shareholders at the General Meeting for creating the charge/ mortgage on immovable properties of the Company. Therefore, it is proposed to authorize Board of Directors to create mortgage/ charge on the properties of the Company in favour of any financial institution/ bank upto Rs.500.00 Crores (Rs. Five Hundred Crores) in accordance with borrowing limit approved under section 293(1)(d) of the Companies Act, 1956. Therefore, the Members' approval is being sought.

None of the Directors of the Company is interested or concerned in the proposed resolution.

ITEM NO. 7 & 8

Shri M. P. Singh was appointed as Additional Director of the Company by the Board of Directors on 1st December, 2005 and Shri S. K. Duggal was also appointed as Additional Director w.e.f. 29th December, 2005. According to the provisions of Section 260 of the Companies Act, 1956 and Article 133 of the Articles of Association of the Company, they hold office as Directors only upto the date of ensuing Annual General Meeting. As required by Section 257 of the Companies Act, 1956 the Company has received notices from members proposing their candidature for appointment as Directors.

The Board consider it desirable that the Company should continue to avail their guidance and advice and hence, recommends the resolutions for approval of the shareholders.

Except the aforesaid Directors, no other Director of the Company is concerned or interested in this resolution.

ITEM NO. 9

The Board of Directors in its meeting held on 31st January, 2006 had approved the appointment of Rana Inder Pratap Singh as Managing Director of the Company for a period of 5 years w.e.f. 31st January, 2006 without any remuneration for the first one year. The appointment of Rana Inder Pratap Singh as Managing Director of the Company is required to be approved by the Shareholders in the General Meeting of the Company.

Your Directors recommend the resolution.

None of the Directors except Rana Ranjit Singh and Rana Veer Pratap Singh is interested in the resolution.

ITEM NO. 10

The Company has embarked upon a growth plan and has initiated steps to augment resources required for the following activities:-

- to part finance the cost of the two Sugar Mills of 5000 TCD alongwith 20 MW capacity of power co-generation each being set up in the State of Uttar Pradesh.

To partly meet the requirement of funds for above activities, the Company has envisaged to mobilize additional resources through preferential issue of 22,00,000 Equity Shares of Rs.10/- each at a premium of Rs.21/- per share aggregating to Rs.6,82,00,000/- calculated in accordance with relevant guidelines issued by SEBI/ Stock Exchanges to the Directors/Promoters.

In terms of section 81(1A) of the Companies Act, 1956, the approval of share holders of the Company is being sought to issue and allot further shares in the share capital of the Company to investors, whether or not the allottees are the existing share holders of the Company. Thus, consent of the members of the Company, by way of a Special Resolution is required for Item No.10.

The disclosures required to be given in the explanatory statement to the Notice of the Annual General Meeting in terms of

RANA SUGARS LIMITED



clause 13.1A of SEBI guidelines for preferential allotment, as amended upto the date of this notice are given below:

A. Object of the issue through preferential offer

The object of the proposed issue of Equity Shares has already been discussed above.

B. Intention of Directors/Promoters/ Key Management personnel to subscribe to the offer.

This offer is exclusively meant for Directors/ Promoters and 22,00,000 Equity Shares are proposed to be allotted to the Directors / Promoters of the Company.

The allotment would not result in any change in the control of management of affairs of the Company or in the Board of Directors of the Company. However, there will be consequential change in the voting rights/share holding pattern of the Company subsequent to the allotment of 22,00,000 Equity Shares.

C. Share holding pattern before and after the offer

Sr. No.	CATEGORY	PRE-ISSUE		POST ISSUE	
		No. of shares held	% age of shares held	No. of shares	%age of shares
A.	Promoters Holding				
1.	Promoters :				
	Indian Promoters				
	- Rana Ranjit Singh	2196561	2.951	2196561	2.867
	- Rana Gurjeet Singh	2299141	3.090	2299141	3.000
	- Mrs. Rajbans Kaur	1070001	1.438	1070001	1.397
	- Rana Mohendra Papers Ltd.	30000	0.040	30000	0.039
	- Punjab Energy Development Agency	2550000	3.427	2550000	3.328
	- Rana Inder Partap Singh	3804100	5.112	4354100	5.683
	- Rana Veer Partap Singh	3804100	5.112	4354100	5.683
	- Rana Karan Partap Singh	3804100	5.112	4354100	5.683
	- Rana Preet Inder Singh	3804100	5.112	4354100	5.683
	Foreign Promoters	—	—	—	—
2.	Persons acting in Concert				
	Sub Total	23362103	31.394	25562103	33.363
B.	Non Promoters Holding				
3.	Institutional Investors				
a.	Mutual Funds and UTI	34600	0.047	34600	0.045
b.	Banks, Financial Institution, Insurance Companies (Central /State Govt. Institutions/ Non Govt. Institutions)	12000	0.016	12000	0.016
c.	Foreign Institutional Investors (FIIs)	114150	0.153	114150	0.149
	Sub Total	160750	0.216	160750	0.210
4.	Others				
a.	Private Corporate Bodies	12922827	17.365	12922827	16.867
b.	Indian Public	22059182	29.642	22059182	28.791
c.	NRI's/ OCBs	15912758	21.383	15912758	20.769
d.	Any Other	—	—	—	—
	Sub Total	50894767	68.390	50894767	66.427
	Grand Total	74417620	100.000	76617620	100.00



RANA SUGARS LIMITED

D. Proposed time within which the allotment shall be completed.

The Board proposes to allot 22,00,000 Equity Shares, within a period of 15 days from the date of holding the Annual General Meeting.

E. The identity of the proposed allottees and the percentage of Post Preferential Issue Capital that may be held by them.
22,00,000 Equity Shares are proposed to be allotted in the following manner :-

Sr. No.	Category	Name	No. of shares	Post issue Capital %
1.	Managing Director	Rana Inder Pratap Singh	550000	0.718
2.	Director	Rana Veer Pratap Singh	550000	0.718
3.	Promoter	Rana Karan Pratap Singh	550000	0.718
4.	Promoter	Rana Preet Inder Singh	550000	0.718
	TOTAL :		2200000	2.872

F. Lock-in-period

These shares are being issued on preferential basis and will be subject to lock-in as per requirements of the SEBI (DIP) guidelines.

G. Pricing of the Issue

Issue price has been determined in accordance with the relevant guidelines issued by SEBI/ Stock Exchanges. This price has been calculated on the basis of relevant date i.e. 29th September, 2006, which is the date, 30 days prior to the date on which Annual General Meeting has been convened to be held for seeking approval of Shareholders, in terms of Section 81(1A) of the Companies Act, 1956 to consider the proposed issue and is determined in accordance with explanation (a) of para 13.1.1.1 of SEBI (Disclosure and Investor Protection) Guidelines, 2000, as amended upto date.

As required, by the SEBI (Disclosure and Investor Protection) Guidelines, 2000, on preferential issues, a certificate from the statutory auditors, to the effect that the proposed allotment will be made in accordance with the said guidelines, shall be placed at the meeting.

The members are therefore, requested to accord their approval to the proposed resolution set out at Item No.10 by way of a Special Resolution.

The Directors of your Company may be deemed to be concerned or interested to the extent of the securities that may be subscribed to by them or their relatives.

By order of the Board
for RANA SUGARS LIMITED

Place : Chandigarh
Dated : 5th October, 2006

(MANMOHAN K. RAINA)
COMPANY SECRETARY

RANA SUGARS LIMITED



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2006.

1. FINANCIAL RESULTS :

(Rs. in lacs)

	Current year ended 31.3.2006	Previous year ended 31.3.2005
Profit before interest, depreciation & tax	3576.19	3807.91
Less : Financial Expenses	624.79	702.74
Depreciation	682.86	625.21
Misc. expenses written off	42.28	24.56
Profit before Tax	2226.26	2455.40
Provision for Tax	185.50	193.00
Deferred liability of Tax	127.57	467.12
Less: Fringe Benefit Tax, Wealth Tax & Earlier Year Provision for Tax	24.74	0.09
Prior period income/(expenses)	3.80	(12.07)
Net profit after Tax	1892.25	1783.12
Balance brought forward from previous year	1522.35	639.57
Balance available for Appropriation	3414.60	2422.69
Appropriations		
Proposed Dividend	—	354.07
Corporate Dividend Tax	—	46.27
Transfer to General Reserve	500.00	500.00
Profit carried to Balance Sheet	2914.60	1522.35
OPERATIONS :		
Cane Crushed (Qtls)	49,57,169	51,18,564
Production(Qtls)		
Sugar (Qtls)	4,47,520	4,83,129
Molasses (Qtls)	2,39,465	2,08,143
Electricity (Units)	3,31,59,713	3,38,13,808
Rectified Spirit (BL)	3,82,272	—
Extra Neutral Alcohol (BL)	5,12,387	—
Denatured Spirit (BL)	1,30,214	—

The Company has performed well during the year. The net profit of the Company has gone upto Rs.1892.25 lacs as against Rs.1783.12 lacs during the last year. The Company has started commercial production of its Distillery Unit of 60 KL capacity w.e.f. 2nd March, 2006. The Company has been allocated Country Liquor Quota of 7499819 PL by the Punjab Government in the first year of its operation. It has maintained good quality of its products. The Company is in process of expanding its power generation capacity from 20 MW to 30 MW.

The Company is also setting up two new Sugar Mills of 5000 TCD capacity alongwith facilities of power co-generation of 20 MW each at Districts Moradabad and Rampur in the State of Uttar Pradesh. The commercial production of aforesaid units are likely to commence during the ensuing sugar crushing season.

2. DIVIDEND :

Your Company is expanding by setting two new Sugar Mills of 5000 TCD with co-generation power facilities of 20 MW each and huge internal cash accruals are being utilized for completing the aforesaid schemes as such your Directors purpose not to recommend any dividend for the year under review.

3. DIRECTORS :

The Punjab Energy Development Agency had nominated Shri M. P. Singh as a Director of the Company in place of Shri S.S. Rajput, IAS.

Shri Himmat Singh, IAS, Mrs. Anjana Kapoor and Shri Rajnish Tuli have resigned from the Directorship of the Company w.e.f. 3rd October, 2005 due to disinvestment in Rana Sugars Limited by Punjab Agro Industries Corporation Limited.

The Board places on record the appreciation of useful contribution made by Shri Himmat Singh, IAS, Mrs. Anjana Kapoor, Shri Rajnish Tuli and Shri S.S. Rajput, IAS during their tenure.

Rana Ranjit Singh has been appointed as Chairman of the Company and Rana Inder Pratap Singh as Managing Director of the Company w.e.f. 31st January, 2006.

Shri S. K. Duggal has been appointed as Director of the Company during the year.

Shri Baljit Singh, Shri S.S. Sekhon and Shri A. S. Sodhi, Directors retire by rotation and being eligible offer themselves for re-appointment.

4. DIRECTORS' RESPONSIBILITY STATEMENT :

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

- that in the preparation of the annual accounts for the financial year ended 31st March, 2006, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 the year under review;



RANA SUGARS LIMITED

- (iii) that the directors had taken proper and sufficient care for 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;
- (iv) that the directors had prepared the accounts for the financial year ended 31st March, 2006 on a going concern basis.

5. GLOBAL DEPOSITARY RECEIPTS:

The Company has made an issue of 2455662 Global Depositary Receipts (GDRs) of US\$ 7.33 per GDR aggregating to US\$ 1,80,00,002 representing underlying 24556620 equity shares of Rs.10/- each through Dubai International Financial Exchange Limited (DIFX) to part finance the cost of the two Sugar Mills being set up in the State of Uttar Pradesh.

6. FIXED DEPOSITS :

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

7. AUDITORS :

M/s. Kansal Singla & Associates, Chartered Accountants, Chandigarh, Statutory Auditors of the Company, retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

8. COST AUDITORS :

The Board of Directors has re-appointed M/s. Verma, Verma & Associates, Cost Accountants as the Cost Auditors of the Company for the year 2006-2007 under Section 233 B of the Companies Act, 1956 which has been approved by the Central Government.

9. BUY BACK OF SHARES :

The Private Promoters, Rana Gurjeet Singh & Associates have bought back the remaining 17,37,000 equity shares from Punjab Agro Industries Corporation Limited under the provisions of the Financial Collaboration Agreement and One Time Settlement (OTS) Policy announced by the Punjab Government.

10. PARTICULARS OF EMPLOYEES :

None of the employees is covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

As required under Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is enclosed as annexure 'A' and forms part of the Report.

12. CORPORATE GOVERNANCE :

As required under Listing Agreement with Stock Exchanges, a report on the Corporate Governance alongwith Auditors' Certificate on compliance of conditions of Corporate Governance are enclosed as annexure 'B' & 'C' and report of Management Discussion and Analysis is attached as annexure 'D' and the reports form the part of the Directors' Report.

13. INFORMATION PURSUANT TO LISTING AGREEMENT WITH THE STOCK EXCHANGES:

The names and addresses of the Stock Exchanges where the Company's securities are listed are :-

1. Bombay Stock Exchange Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001.
2. National Stock Exchange of India Limited,
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (E),
MUMBAI - 400 051.
3. Dubai International Financial Exchange Limited,
Level 7, The Exchange Building, Gate District,
Dubai International Financial Centre,
P.O. Box 53536
DUBAI, U.A.E.

The listing fee for 2006-2007 to all the above Stock Exchanges have been paid in time and there being neither delisting nor suspension of shares from trading during the period under review.

The Company has got its shares delisted from The Ludhiana Stock Exchange Association Limited due to non trading of shares at this Stock Exchange.

14. ACKNOWLEDGEMENT :

The Board of Directors of your Company expresses its gratitude for the co-operation, guidance and support received from financial institutions, banks, the government agencies and departments, the customers and suppliers, dealers, agents and shareholders whose continued patronage has been source of strength of the Company.

The Directors of your Company place on record their appreciation for the dedicated and sincere services rendered by the officers and staff at all levels.

for & on behalf of the Board

RANA RANJIT SINGH
CHAIRMAN

Place : Chandigarh

Dated : 5th October, 2006