

28th ANNUAL REPORT

2008



Shreyans Industries Limited

INSPIRING US



LATE SH. D.K. OSWAL
(1940 - 2007)

We live by your values.

Honesty, Generosity, Compassion and Selflessness

28th Annual Report

SHREYANS INDUSTRIES LIMITED**BOARD OF DIRECTORS**

SH. RAJNEESH OSWAL, Chairman and Managing Director
 SH. VISHAL OSWAL, Vice Chairman and Managing Director
 SH. KUNAL OSWAL, Whole Time Director
 SH. A.K CHAKRABORTY NOMINEE OF ICICI BANK LTD.
 DR. (MRS.) H.K. BAL
 SH. R. C. SINGAL
 SH. M.L. GUPTA
 DR. N. J. RAO
 SH. ANIL KUMAR, Executive Director and C.E.O

COMPANY SECRETARY

MR. VIPIN KUMAR BHATIA

BANKERS

STATE BANK OF PATIALA
 BANK OF INDIA
 STATE BANK OF MAURITIUS

STATUTORY AUDITORS

M/s. S.C. VASUDEVA & CO., NEW DELHI

REGISTRAR & TRANSFER AGENTS

M/s. SKYLINE FINANCIAL SERVICES (P) LIMITED
 246, 1st FLOOR, SANT NAGAR, MAIN ISCON TEMPLE ROAD,
 EAST OF KAILASH, NEW DELHI - 1100065.

REGISTERED & CORPORATE OFFICE

VILLAGE - BHOLAPUR. P.O. SAHABANA
 CHANDIGARH ROAD, LUDHIANA- 141123. (PUNJAB)

WORKS

1. SHREYANS PAPERS, AHMEDGARH, DISTT. SANGRUR (PB.)
2. SHREE RISHABH PAPERS, VILLAGE BANAH, DISTT. NAWANSHAHR (PB.)

BRANCHES

1. 4-J & E, GOPALA TOWER,
25, RAJENDRA PLACE, NEW DELHI.
2. 302, RAHEJA CHAMBERS,
NARIMAN POINT, MUMBAI.

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NOTICE

Notice is hereby given that the 28th Annual General Meeting of the members of the Company will be held on Saturday the 27th day of September, 2008 at 12.00 Noon at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana to transact the following business.

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and Profit and Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Anil Kumar, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sh. M.L. Gupta, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

5. 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 198, 269,309,310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Rules made there under, including any statutory modification or re-enactment thereof and subject to such approvals as may be necessary, and in super session of the special resolution passed at the Annual General Meeting held on 4th July, 2007, consent of the Company be and is hereby accorded to the re-appointment of Sh. Rajneesh Oswal, as the Chairman & Managing Director of the Company for a period of three years with effect from 1st August, 2008 on the remuneration, terms and conditions as approved by the remuneration committee and set out in the agreement, to be entered into between the Company and Sh. Rajneesh Oswal, draft of which is submitted to this meeting and the same is hereby specifically approved."

"RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to alter or increase/ vary the terms and conditions of the said remuneration and/ or agreement in such form and manner or with such modifications as the Board may deem fit and as may be acceptable to Sh. Rajneesh Oswal without referring the same to the General Meeting again, subject to comments/ approvals, if any, required in this regard."

"RESOLVED FURTHER THAT where in any Financial Year, the Company has no profits or its profits are inadequate during the tenure of office of Sh. Rajneesh Oswal, the remuneration aforesaid shall be paid as the minimum remuneration."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

6. 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 198, 269,309,310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or re-enactment thereof and subject to such approvals as may be necessary, and in super session of the special resolution passed at the Annual

General Meeting held on 4th July, 2007, consent of the Company be and is hereby accorded to the re-appointment of Sh. Vishal Oswal, as the Vice Chairman & Managing Director of the Company for a period of three years with effect from 1st August, 2008 on the remuneration, terms and conditions as approved by the remuneration committee and set out in the agreement, to be entered into between the Company and Sh. Vishal Oswal, draft of which is submitted to this meeting and the same is hereby specifically approved."

"RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to alter, or increase and vary the terms and conditions of the said re-appointment and/ or agreement in such form and manner or with such modifications as the Board may deem fit and as may be acceptable to Sh. Vishal Oswal without referring the same to the General Meeting again, subject to comments/ approvals, if any, required in this regard."

"RESOLVED FURTHER THAT where in any Financial Year, the Company has no profits or its profits are inadequate during the tenure of office of Sh. Vishal Oswal, the remuneration aforesaid shall be the minimum remuneration."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

7. 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 198, 269,309,310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Rules made there under, including any statutory modification or re-enactment thereof, consent of the Company be and is hereby accorded for the appointment of Sh. Kunal Oswal, as the Whole time Director of the Company for a period of Five years w.e.f. 1st August, 2007 to 31st July 2012 on the remuneration, terms and conditions as approved by the remuneration committee and set out in the agreement, to be entered into between the Company and Sh. Kunal Oswal, draft of which is submitted to this meeting, and the same are hereby specifically approved."

"RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to alter, increase or vary the terms and conditions of the said remuneration and/ or agreement in such form and manner or with such modifications as the Board may deem fit and as may be acceptable to Sh. Kunal Oswal, without referring the same to the General Meeting again, subject to comments/ approvals, if any, required in this regard."

"RESOLVED FURTHER THAT where in any Financial Year, the Company has no profits or its profits are inadequate during the tenure of office of Sh. Kunal Oswal, as Whole time Director of the company, the remuneration aforesaid shall be paid as the minimum remuneration."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

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SHREYANS INDUSTRIES LIMITED**NOTES :**

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

1. The Register of Members and Share Transfer books of the Company shall remain closed from Tuesday, the 23rd day of September, 2008 to, Saturday the 27th day of September, 2008 (both days inclusive), for the purpose of AGM, for both physical and electronic segments.

2. Members/proxies are requested to bring their copy of Annual Report to the Meeting.

3. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company, so as to reach the Registered office of the Company at least 10 days before the date of the meeting so that information required may be made available at the time of the Meeting.

4. Members are requested to :

- (i) Quote their folio number/Client ID & DP-ID in all correspondence with the company.
- (ii) Notify immediately to the company any change in their address/ mandate, if any.

5. Shares of the Company are available for De-Materialization under ISIN - INE231C01019. Members who have not opted for De-Materialization are requested to do so in their own interest.

6. Pursuant to the provisions of Section 205 C of the Companies Act, 1956, as amended, unpaid amount of the IIIrd Installment of redemption of 14% Non Convertible Debentures, and 1st Installment of 17% Non Convertible Debentures which were due in Financial Year 2000- 2001, but remained unpaid or unclaimed, has been transferred to the Investors Education and Protection Fund of the Central Government.

7. Shareholders/ Proxy holders are requested to produce at the entrance, the attached admission slip duly completed and signed, for admission to the Meeting Hall.

8. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non-members and children.

By order of the Board
For Shreyans Industries Limited

Sd/-

Vipin Kumar Bhatia
(Company Secretary)

Place Ludhiana
Dated : 26th July, 2008

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 , FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING

FOR ITEM NO. 6

Sh. Rajneesh Oswal is permanent Director of the Company. Company has appointed Sh. Rajneesh Oswal as Chairman & Managing Director w.e.f.1st August 2007 at AGM held on 4th July, 2007.

The Board of Directors at its meeting held on 26th July, 2008, in super session of its earlier resolution dated 04.06.2007, for the re-appointment and remuneration of Sh. Rajneesh Oswal, has approved the re- appointment of Sh. Rajneesh Oswal as Chairman & Managing Director for the period of three years i.e. from 1st August, 2008 to 31st July, 2011, on such remuneration as mentioned hereunder and on such terms and conditions as set out in the draft agreement which is open for inspection at Registered office of the Company on any working day between 10.30 A.M. to 12.30 P.M.

The payment of remuneration to Sh. Rajneesh Oswal, Chairman & Managing Director is subject to the approval of Shareholders in terms of section 198, 269, 309, 310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Rules made there under.

Terms in brief are given hereunder.

The Principal terms of remuneration of Sh. Rajneesh Oswal, Chairman & Managing Director as approved by the remuneration committee of the Company for a period of three years starting from 1st August, 2008 are as follows :

(1) SALARY

Sh. Rajneesh Oswal, Chairman & Managing Director shall be paid a salary of Rs. 5,00,000/- only per month.

2) PERQUISITES AND ALLOWANCES

(i) The expenditure pertaining to gas, electricity, water, furnishings and other utilities including repairs will be borne/reimbursed by the Company and shall be valued as per the Income Tax Rules, 1962 or in accordance with such other directions/ clarifications as may be issued by the Ministry of Company Affairs , subject to maximum of 10% of basic salary.

(ii) Reimbursement of expenses on medical treatment incurred by the appointee and his family subject to ceiling of one month salary in a year or three months salary over a period of three years.

(iii) Fee of clubs subject to a maximum of two clubs and maximum of Rs. 50000/- P.A. excluding admission and life membership fees.

(iv) Premium not to exceed Rs. 10,000/- per annum for personal accident insurance.

(v) Leave travel concession for self and family members as per company's rules.

(vi) Provision of Car for official -cum-personal use,

(vii) Provisions of Telephone at residence for official-cum-personal use.

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(3) In addition to the perquisites as aforesaid, Sh. Rajneesh Oswal, Chairman & Managing Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:

- (i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.

(4) Reimbursement of all entertainment, traveling, hotel and other expenses incurred by Sh. Rajneesh Oswal, Chairman & Managing Director during the course of and in connection with the business of the Company.

(5) No sitting fee shall be paid to Sh. Rajneesh Oswal, Chairman & Managing Director for attending the meeting of Board of Directors or any Committee thereof.

(6) MINIMUM REMUNERATION

In the event of inadequacy or absence of profits in any financial year during his tenure, Sh. Rajneesh Oswal, Chairman & Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

The above shall also be treated as an Abstract and Memorandum of Interest under section 302 of the Companies Act, 1956.

Necessary resolution is proposed at item no. 5 of the aforesaid agenda as special resolution.

Directors of your company recommend the above resolution for your consideration and approval.

NOTICE OF INTEREST

None of the directors, except Sh. Rajneesh Oswal, the appointee himself, Sh. Vishal Oswal and Sh. Kunal Oswal, being relatives of Sh. Rajneesh Oswal, is in anyway interested in the proposed resolution.

FOR ITEM NO. 6

Company has appointed Sh. Vishal Oswal as Vice Chairman & Managing Director w.e.f. 1st August 2007 at AGM held on 4th July, 2007.

The Board of Directors at its meeting held on 26th July, 2008, in super session of its earlier resolution dated 04.06.2007, for the re-appointment and remuneration of Sh. Vishal Oswal, has approved the re-appointment of Sh. Vishal Oswal as Vice-Chairman & Managing Director for the period of three years i.e. from 1st August, 2008 to 31st July, 2011, on such remuneration as mentioned hereunder and on such terms and conditions as set out in the draft agreement which is open for inspection at Registered office of the Company on any working day between 10.30 A.M. to 12.30 P.M.

The remuneration of Sh. Vishal Oswal is subject to the approval of Shareholders in terms of section 198, 269, 309, 310 and 314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The Principal terms of remuneration of Sh. Vishal Oswal as approved by the remuneration committee of the Company for a

period of three years starting from 1st August, 2008 are as follows

(1) SALARY

Sh. Vishal Oswal, Vice Chairman & Managing Director shall be paid a salary of Rs. 5,00,000/- only per month.

(2) PERQUISITES AND ALLOWANCES

(i) The expenditure pertaining to gas, electricity, water, furnishings and other utilities including repairs will be borne/reimbursed by the Company and shall be valued as per the Income Tax Rules, 1962 or in accordance with such other directions/ clarifications as may be issued by the Ministry of Company Affairs subject to maximum of 10% of basic salary.

(ii) Reimbursement of expenses on medical treatment incurred by the appointee and his family subject to ceiling of one month salary in a year or three months salary over a period of three years.

(iii) Fee of clubs subject to a maximum of two clubs and maximum of Rs. 50000/- P.A. excluding admission and life membership fees.

(iv) Premium not to exceed Rs. 10,000/- per annum for personal accident insurance.

(v) Leave travel concession for self and family members as per company's rules.

(vi) Provision of Car for official -cum-personal use.

(vii) Provisions of Telephone at residence for official-cum-personal use.

(3) In addition to the perquisites as aforesaid, Sh. Vishal Oswal, Vice Chairman & Managing Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:

(i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

(iii) Encashment of leave at the end of the tenure.

(4) Reimbursement of all entertainment, traveling, hotel and other expenses incurred by Sh. Vishal Oswal, Vice Chairman & Managing Director during the course of and in connection with the business of the Company.

(5) No sitting fee shall be paid to Sh. Vishal Oswal, Vice Chairman & Managing Director for attending the meeting of Board of Directors or any Committee thereof.

(6) MINIMUM REMUNERATION

In the event of inadequacy or absence of profits in any financial year during his tenure, Sh. Vishal Oswal, Vice Chairman & Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

The above shall also be treated as an Abstract and Memorandum of Interest under section 302 of the Companies Act, 1956.

Necessary resolution is proposed at item no. 6 of the aforesaid agenda as special resolution.

Directors of your company recommend the above resolution for your consideration and approval.

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SHREYANS INDUSTRIES LIMITED**NOTICE OF INTEREST**

None of the directors, except Sh. Vishal Oswal, the appointee himself, Sh. Rajneesh Oswal and Sh. Kunal Oswal, being relatives of Sh. Vishal Oswal, is in anyway interested in the proposed resolution.

For Item No. 7

Board of Directors at its meeting held on 28th July 2007 has appointed Sh. Kunal Oswal as Whole time Director of the company for a period of five years i.e. from 1st August, 2007 to 31st July, 2012 at a salary Rs. 40000/- P.M. and other perquisites as applicable. The Remuneration of Sh. Kunal Oswal is revised w.e.f. 01.08.2008 for the remaining term of his appointment at the Board Meeting held on 26.07.2008. The appointment of Sh. Kunal Oswal as Whole Time Director of the Company is subject to the approval of General Meeting on remuneration as mentioned hereunder and on such terms and conditions as set out hereunder.

The payment of remuneration to Sh. Kunal Oswal is subject to the approval of Shareholders in terms of section 198, 269, 309, 310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Rules made there under.

Terms in brief are given hereunder.

(1) SALARY:

Sh. Kunal Oswal, Whole time Director shall be paid a salary of Rs.100000/- only per month, w.e.f. 01.08.2008.

(2) PERQUISITES AND ALLOWANCES

(i) The expenditure pertaining to gas, electricity, water, furnishings and other utilities including repairs will be borne/reimbursed by the Company and shall be valued as per the Income Tax Rules, 1962 or in accordance with such other directions/ clarifications as may be issued by the Ministry of Company Affairs, subject to maximum of 10% of basic salary.

(ii) Reimbursement of expenses on medical treatment incurred by the appointee and his family subject to ceiling of one month salary in a year or three months salary over a period of three years.

(iii) Fee of clubs subject to a maximum of two clubs and maximum of Rs. 25000/- P.A. excluding admission and life membership fees.

(iv) Premium not to exceed Rs. 10,000/- per annum for personal accident insurance.

(v) Leave travel concession for self and family members as per company's rules.

(vi) Provision of Car for official -cum-personal use,

(vii) Provisions of Telephone at residence for official-cum-personal use.

(3) In addition to the perquisites as aforesaid, Sh. Kunal Oswal, Whole time Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:

(i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

(iii) Encashment of leave at the end of the tenure.

(4) Reimbursement of all entertainment, traveling, hotel and other expenses incurred by Sh. Kunal Oswal, Whole Time Director during the course of and in connection with the business of the Company.

(5) No sitting fee shall be paid to Sh. Kunal Oswal, Whole Time Director for attending the meeting of Board of Directors or any Committee thereof.

(6) MINIMUM REMUNERATION

In the event of inadequacy or absence of profits in any financial year during his tenure, Sh. Kunal Oswal, Whole Time Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

The above shall also be treated as an Abstract and Memorandum of Interest under section 302 of the Companies Act, 1956.

Necessary resolution is proposed at item no. 7 of the aforesaid agenda as special resolution.

Directors of your company recommend the above resolution for your consideration and approval.

NOTICE OF INTEREST

None of the Directors, except Sh. Kunal Oswal, the appointee himself and Sh. Rajneesh Oswal and Sh. Vishal Oswal being relatives of Sh. Kunal Oswal is in any way interested in the proposed resolution.

Re-appointment/Appointment of Directors

At the ensuing Annual General Meeting, Sh. Anil Kumar and Sh. M.L.Gupta, Directors of the Company will retire and being eligible, offer themselves for re-appointment. Further it is proposed to re-appoint Sh. Rajneesh Oswal as Chairman & Managing Director and Sh. Vishal Oswal as Vice Chairman & Managing Director of the Company. It is also proposed to Appoint Sh. Kunal Oswal, as Whole Time Director of the Company.

Information as per clause 49 of the Listing Agreement on Corporate Governance is given below.

Mr. Anil Kumar aged 58 years is the Executive Director & CEO of the Company. He joined the Company as General Manager and was inducted to the Board as a Executive Director on 30th August 1988. He holds a degree in Engineering from Punjab University, Chandigarh and has done Masters in Business Administration from Punjab University. He has been the Finance Manager of Vardhman Spinning & General Mills Limited and has vast experience in the field of Finance and General Administration.

Sh. Anil Kumar does not hold office of director in any company.

Mr. Madan Lal Gupta aged 66 years is the Director (Independent Non-Executive) of the Company with effect from June 25, 2004. He has worked with IDBI at senior level position for more than two decades. He had also worked as a Deputy Director with BIFR. He has vast experience in the field of finance. Sh. Madan Lal Gupta is holding office of director in Raunaq Automobiles Co. Ltd. and also a member of Audit Committee and Share Transfer cum Investor Grievance Committee of the Board of this company.

Sh. Madan Lal Gupta does not hold any shares of the company.

Sh. Rajneesh Oswal aged about 42 years is the Chairman & Managing Director of the Company. He joined the Company as Director on 30th June 1989 and was appointed as the Executive Vice Chairman of the Company in year 2003. Thereafter he was appointed as the Vice Chairman & Joint Managing Director of the Company in year 2006. He was appointed as Chairman & Managing Director of the Company on 20th March, 2007. He is a Commerce Graduate and has done Masters in Business Management. He has career spanning of over two decades in the field of Business administration.

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Sh. Rajneesh Oswal is permanent Director of the Company. He is also holding the Office of Executive Director in Adinath Textiles Ltd and Director in the following companies.

1. Adeep Investment Co.
2. Virat Investment & Mercantile Co.
3. Jagvallah Parasnath Capital Investment (P). Ltd.
4. Oasis Share Trading (P) Ltd.

Sh. Vishal Oswal aged about 36 years is Vice Chairman & Managing Director of the Company. He joined the Company as Manager (Commercial & Administration). He was promoted to the position of General Manager (Works) and then Director (Works) of the erstwhile spinning division of the company and was inducted to the Board as a Director of the Company on 31st July 1999. He was appointed as the Whole Time Director of the Company w.e.f. 1st August 1999 and Vice Chairman & Managing Director on 20th March 2007. He is a Commerce Graduate and has an experience of a decade in the field of management & administration.

Sh. Vishal Oswal is holding the Office of Director in the following companies.

1. Achin Investment & Mercantile Co.
2. Levina Investment & Mercantile Co.
3. Ojasvi Investment & Mercantile Co.
4. Oasis Share Trading (P) Ltd.

3. FINANCIAL PERFORMANCE

Financial performance of the company for the year ended 31st March 2007 and 31st March 2008 are as under :-

(Rs. In Lacs)

	2007-08	2006-07
Gross Sales	23864.47	21433.18
Gross Profit (PBIDT)	3085.15	2521.78
Less. Interest	695.14	746.70
Less. Depreciation	588.94	583.54
Net Profit before Tax	1801.07	1191.54
Provision for Taxation	596.20	528.80
Net Profit after Tax	1204.87	662.74

(4) Export Performance and Net Foreign Exchange Collaboration :

(Rs. In Lacs)

	2007-08	2006-07
Foreign Exchange Earning	120.47	265.05
Less. Foreign Exchange Outgo	892.39	940.15
Net Foreign Exchange Earning	(771.92)	(675.10)

(5) Foreign Investments or Collaboration : The Company has not made any investments in foreign funds / securities and has no foreign collaborations.

II. INFORMATION ABOUT THE APPOINTEE(S)**A. NAME Sh. Rajneesh Oswal**

i) Back Ground Details, Job Profile and suitability : Sh. Rajneesh Oswal aged about 42 years is Permanent Director of the Company. He is on the Board since 1989. Sh. Rajneesh Oswal is a Commerce Graduate and has done Masters in Business Management. He has experience of about two decades in the field of industry & administration to his credit. He joined the Company as a Director on 30th June 1989. He was appointed as Executive Vice Chairman of the Company in year 2003 and thereafter Vice Chairman & Joint Managing Director of the Company in year 2006. He was appointed as Chairman

Sh. Kunal Oswal aged about 34 years was appointed as an Additional Director of the company at the Board Meeting held on 29.01.2007 and appointed as a director liable to retire by rotation at last Annual General Meeting held on 04.07.2007. He is appointed as Whole time Director of the company at Board meeting held on 29.07.2007. He is a Commerce Graduate and brother of Sh. Rajneesh Oswal, Chairman & Managing Director and Sh. Vishal Oswal Vice Chairman & Managing Director.

Sh. Kunal Oswal is holding the Office of Director in the following companies.

1. Adeep Investment Co.
2. Virat Investment & Mercantile Co.
3. Jagvallah Parasnath Capital Investment (P). Ltd.
4. Achin Investment & Mercantile Co.
5. Levina Investment & Mercantile Co.
6. Ojasvi Investment & Mercantile Co.

Statement of the details as required under Schedule XIII of the Companies Act, 1956 (as amended) are as under :**I. General Information**

(1) Nature of Industry: The Company is engaged in the Manufacturing of writing and Printing Paper from Agricultural residues.

2) Date of Commencement of Commercial Production : Company started its Production in May 1982

& Managing Director of the Company on 20th March, 2007

ii) Past Remuneration

Sh. Rajneesh Oswal is presently working as Chairman & Managing Director of the Company and his present remuneration as approved at 27th Annual General Meeting is as under

(1) SALARY ---- Rs. 2,75,000/- per month.

(2) PERQUISITES AND ALLOWANCES

(i) The expenditure pertaining to gas, electricity, water, furnishings and other utilities including repairs are borne/reimbursed by the Company and to be valued as per the Income Tax Rules, 1962 or in accordance with such other directions/ clarifications as may be issued by the Ministry of Company Affairs, subject to maximum of 10% of basic salary.

- (ii) Reimbursement of expenses on medical treatment incurred by Sh. Rajneesh Oswal and his family subject to ceiling of one month salary in a year or three months salary over a period of three years.
- (iii) Fee of clubs subject to a maximum of two clubs excluding admission and life membership fees.
- (iv) Premium not to exceed Rs. 5,000/- per annum for personal accident insurance.
- (v) Leave travel concession for self and family members as per company's rules.
- (vi) Provision of Car for official -cum-personal use, however, the valuation for personal use of car is treated as perquisite in the hands of Sh. Rajneesh Oswal.
- (vii) Provisions of Telephone at residence for official-cum-personal use. However, the valuation of personal use of telephone is treated as perquisite of the Sh. Rajneesh Oswal

(3) In addition to the perquisites as aforesaid, the Sh. Rajneesh Oswal is also entitled to the following benefits in accordance with the Rules of the Company, which are not to be included in the computation of ceiling on remuneration:

- (i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.

(4) Reimbursement of all entertainment, traveling, hotel and other expenses incurred by the Sh. Rajneesh Oswal during the course of and in connection with the business of the Company.

(5) No sitting fees is payable to Sh. Rajneesh Oswal for attending the meeting of Board of Directors or any Committee thereof.

(6) MINIMUM REMUNERATION

In the event of inadequacy or absence of profits in any financial year during his tenure, Sh. Rajneesh Oswal is entitled to above remuneration along with the perquisites/benefits mentioned above by way of minimum remuneration.

iii) Remuneration proposed:

The revised remuneration package in the shape of Salary and Perquisites has already been stated above in the Explanatory Statement.

iv) Pecuniary relationship:

Sh. Rajneesh Oswal, except his appointment as Chairman & Managing Director of the company, has no pecuniary relation with the company.

B. NAME Sh. Vishal Oswal

i) Back Ground Details, Job Profile and suitability:

Mr. Vishal Oswal aged about 36 years is Vice Chairman & Managing Director of the Company. He joined the Company as Manager (Commercial & Administration). He is a Commerce Graduate, and has an experience of a decade in the field of administration & management.

He was inducted to the Board as a Director of the Company on 31st July 1999 and simultaneously he was appointed as the Whole Time Director of the Company. He was appointed as Vice Chairman & Managing Director of the Company on 20th March, 2007

ii) Past Remuneration

Sh. Vishal Oswal is presently working as Vice Chairman & Managing Director of the Company and his present remuneration as approved at 27th General Meeting is as under
(1) SALARY ----- 2,75,000/- Per Month.

(2) PERQUISITES AND ALLOWANCES

(i) The expenditure pertaining to gas, electricity, water, furnishings and other utilities including repairs are borne/reimbursed by the Company and to be valued as per the Income Tax Rules, 1962 or in accordance with such other directions/ clarifications as may be issued by the Ministry of Company Affairs, subject to maximum of 10% of basic salary.

(ii) Reimbursement of expenses on medical treatment incurred by Sh. Vishal Oswal and his family subject to ceiling of one month salary in a year or three months salary over a period of three years.

(iii) Fee of clubs subject to a maximum of two clubs excluding admission and life membership fees.

(iv) Premium not to exceed Rs. 5,000/- per annum for personal accident insurance.

(v) Leave travel concession for self and family members as per company's rules.

(vi) Provision of Car for official -cum-personal use. However, the valuation for personal use of car is treated as perquisite in the hands of Sh Vishal Oswal.

(vii) Provisions of Telephone at residence for official-cum-personal use. However, the valuation of personal use of telephone shall be treated as perquisite of the Sh Vishal Oswal.

(3) In addition to the perquisites as aforesaid, the Sh Vishal Oswal is also entitled to the following benefits in accordance with the Rules of the Company, which are not to be included in the computation of ceiling on remuneration:

- (i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.

(4) Reimbursement of all entertainment, traveling, hotel and other expenses incurred by the Sh Vishal Oswal during the course of and in connection with the business of the Company.

(5) No sitting fees is payable to the Sh Vishal Oswal for attending the meeting of Board of Directors or any Committee thereof.

(6) MINIMUM REMUNERATION

In the event of inadequacy or absence of profits in any financial years during his tenure, the Sh Vishal Oswal is entitled to above remuneration along with the perquisites/benefits mentioned above by way of minimum remuneration.

iii) Remuneration proposed:

The new remuneration package in the shape of Salary and Perquisites has already been stated above in the Explanatory Statement.

iv) Pecuniary Relationship

Sh. Vishal Oswal, except his appointment as Vice Chairman & Managing Director of the company, has no pecuniary relation with the company.

3. Comparative Remuneration

The Remuneration Profile with respect to other Companies is given hereunder:

S.No.	Name of the Company	Name of the Managerial Personnel	Annual Turnover * (Rs. In Lacs)	Remuneration Paid * (Rs. per annum)
1.	MRO TEK LTD.	Sh S Narayan	13952.95	136.88
2.	MRO TEK LTD.	Sh. H. Nandi (Managing Director)	13952.95	136.88
3.	ROYAL ORCHID HOTELS LTD.	Sh. Chanderk Baljee (Managing Director)	13675.54	150.11
4.	HOTEL LEEAVENTURE LTD.	Mr. Vivek Nair (Vice Chairman & Managing Director)	58910.43	267.20
5.	HOTEL LEEAVENTURE LTD.	Mr. Dinesh Nair (Joint Managing Director)	58910.43	267.20

*As reported in the Annual Report for Financial Year 2007-08

4. OTHER INFORMATION

The Company did not incur losses during 2007-08. However the company has accumulated losses pertaining to the previous years. The efforts of the management have resulted in turnaround of the company.

DISCLOSURES

The remuneration package along with the corresponding details payable to Sh. Rajneesh Oswal, Chairman & Managing Director and Sh. Vishal Oswal, Vice Chairman & Managing Director have already been mentioned above. Further the remuneration paid to directors has been included in the Board's Report on Corporate Governance.

No performance incentive is proposed to be paid to Sh. Rajneesh Oswal or Sh. Vishal Oswal.

The tenure of Sh. Rajneesh Oswal as Chairman & Managing Director and Sh. Vishal Oswal as Vice Chairman & Managing Director shall be governed by a service contract of three years.

The aforesaid statements form part of this notice calling the Annual General Meeting.