

UNIFLEX CABLES LTD.



18th Annual Report
2007-2008



BOARD OF DIRECTORS

Dr. Narendra D. Desai
(Chairman, w.e.f. 25/10/08) } w.e.f.
Shri Kushal N Desai } 11/02/08
Shri Chaitanya N Desai }

Shri H.N.Shah } w.e.f.
Shri F.B.Virani } 30/08/08
Shri V.A. Gore }

Shri Bijay Singh Baid
(Managing Director upto 29/08/08)
(Chairman upto 30/09/08)
Shri Jay Kumar Baid
(Executive Director upto 30/09/08)
Shri Ajay Kumar Baid
(Executive Director upto 30/09/08)
Shri Sanjay Kumar Baid
(Executive Director upto 26/08/08)

Shri Raghunath Rai Kumar } upto
Shri B.L.Gupta } 25/08/08
Shri Suresh Nevatia }

MANAGER

Shri V. K. Bajaj w.e.f. 08/10/08

COMPANY SECRETARY

Shri M.C.Bhalawat

AUDIT COMMITTEE

Shri B.L.Gupta } upto
Shri R.R. Kumar } 25/08/08
Shri Suresh Nevatia }
Shri Jay Kumar Baid
(upto 30/09/08)

Shri V.A.Gore } w.e.f.
(Chairman) } 30/08/08
Shri F.B. Virani }
Shri H.N.Shah }

AUDITORS

M/s Rashmi Zaveri & Co.
Chartered Accountants
Arham, Ground Floor, Suit No.2
Plot No.266, Nr. Gandhi Market
Sion (E), Mumbai-400 022

REGISTERED OFFICE

Apar House, Bldg No. 5, Corporate Park,
Sion-Trombay Road,
Chembur, Mumbai - 400 071.
Tel.: (022) 25263400 / 6780 0400

WORKS

158 to 163, G.I.D.C.
Umbergaon - 396 171
Dist.: Valsad, Gujarat.
Tel.: (0260) 2562412

E-MAIL

info@uniflex.in

WEB SITE

www.unicab.com

REGISTRAR & TRANSFER AGENT

Karvy Computershare Pvt. Ltd.
17-24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081.
Tel. No. : 040-23420815 to 28
Fax No. : 040-23420814 / 23420857
E-mail : mailmanager@karvy.com
Website : www.karvycomputershare.com

BANKERS

Indian Bank
YES Bank Limited
Syndicate Bank

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NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the Shareholders of UNIFLEX CABLES LIMITED will be held at Hall of Mysore Association, 1st Floor, 393 Bhaudaji Road, Maheshwari Udyan (King Circle), Matunga (Central Railway), Mumbai- 400 019 on Monday, the 15th December, 2008, at 11.00 A. M. to transact the following businesses :

ORDINARY BUSINESS:

1. To receive, consider and adopt Balance Sheet as at 31st March, 2008 and the Profit & Loss Account for the year ended on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Narendra D. Desai, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri H.N. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended and altered in the manner and to the extent as set out herein below:-

- (A) **Insert the following Article as Article 4A after Article 4 :-**

Issue of Shares Without Voting Rights:

- 4A. Notwithstanding anything contained in these Articles, in the event it is permitted by law to issue Shares without voting rights attached to them, the Board of Directors may issue such Shares upon such terms and conditions and with such rights and privileges attached thereto as thought fit and as may be permitted by law.

- (B) **Insert the following Article as Article 25A after Article 25:-**

25A Dematerialisation of Securities

- (i) **Definitions:**

For the purpose of this Article :-

'Beneficial Owner' means a person or persons whose name is recorded as such with a Depository;

'Depositories Act 1996' includes any Statutory modification or re-enactment thereof for the time being in force .

'SEBI' means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992 .

'Depository' means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a Depository under the Securities and Exchange Board of India Act, 1992; and

'Security' means and includes Shares, Debentures and such other security as may be specified by the SEBI Board from time to time.

'Member' would also mean a Beneficial Owner in the records of the Depository.

(ii) Dematerialisation of Securities:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and / or rematerialise its Securities held in the Depositories and to offer its securities in a dematerialised form pursuant to the Depositories Act, 1996.

(iii) Options for Investors:

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities. If a person opts to hold his security with a depository, the



NOTICE....(Contd.)

Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the names of the allottees as the beneficial owners of the security.

(iv) Securities in Depositories to be in fungible form:

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Rights of Depositories and Beneficial Owners:

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save and otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

(vi) Service of Documents:

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means electronic mode or by

delivery of floppies or discs or any such other means.

(vii) Transfer of Securities:

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository. The Company shall not be required to maintain the Register of Transfers for entering particulars of transfer of Securities in dematerialised form.

(viii) Allotment of Securities dealt within a Depository:

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive numbers of Securities held in a Depository:

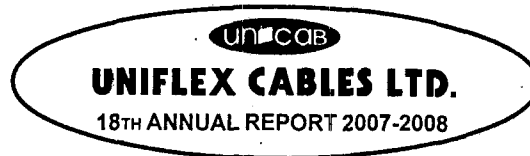
Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to Securities held with a depository. No Certificate shall be issued for the Securities held by a Depository.

(x) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of the Act and these Articles.

(xi) Investment of the Company:

Notwithstanding anything contained in the Act or these Articles, the Company can hold its investments in the name of a Depository when such investments are in the form of Securities held by the Company as a Beneficial Owner.



NOTICE....(Contd.)

(C) Article 30 be substituted and read as under :-

Buy Back of Shares:

- 30 Notwithstanding anything contained in these Articles, but subject to the provisions of the Act and all other applicable provisions of law, regulations, as may be in force at any time, the Company may acquire, purchase, hold, resell any of its own fully/ partly paid or redeemable Shares / Securities from time to time and may make payment out of its funds at disposal for and in respect of such acquisition/purchase on such terms and conditions and at such time or times in one or more installments as the Board may in its discretion decide and deem fit. Such shares/securities which are so bought back by the Company may be cancelled or reissued as may be permitted under the Act and subject to such terms and conditions as may be decided by the Board and subject further to the rules and regulations governing such reissue."

(D) INSERT ARTICLE 71 (3) AFTER ARTICLE 71(2)

71(3) REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER.

- (a) Subject to the provisions of Article 71, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.
- (b) A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.
- (c) The person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency or the holder shall be entitled to the same dividends and other advantage to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days, the Board thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.
- (d) A person entitled to a share by transmission shall, subject to the rights of the Directors to retain such dividends, bonuses or moneys as hereinafter provided be entitled to receive, and may give a discharge for any dividends, bonuses or other moneys payable in respect of the share/debenture.
- (e) This Article shall not prejudice the provisions of Article 71 (3) (c).
- (f) Subject to these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission



NOTICE....(Contd.)

to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

- (g) Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the directors at their discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

(E) Delete article 141(2)

Delete article 141(2)

(F) To amend article 149

To amend article 149 by substituting the word "Rs 10,000/- (Ten Thousand)" in place of "Rs 2,000/- (Two Thousand)"

(G) Insert the following Article as Article 199(3) after Article 199(2).

199(3) Mode of payment of Dividend, Interest etc.

"The Company may pay dividend, interest or other moneys payable to the members/investors by a Cheque or Warrant sent to the Registered address or by electronic transfer of funds to the Bank Account of the members/investors entitled to the dividend, interest or other moneys or according to the order of such member/investor.

6. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to Section 163 of the Companies Act, 1956, the Register of Members, Share Transfer Books, Index of Members and other shares related records and registers required to be maintained at the Registered Office of the Company, be maintained at the Office of the Registrar and Share Transfer Agents, as may be appointed by the Board from time to time and / or Company's such other office; situated within the city, town or village in which the registered office of the Company is situate.

7. To consider and if thought fit, to pass with or without modification the following Resolution as a **Special**

Resolution :

"RESOLVED THAT subject to the provisions of Section 198,269 & 387 read with Schedule XIII as amended and other applicable provisions if any of the Companies act 1956 approval be and is hereby granted for the appointment of Shri V.K. Bajaj as Manager of the Company to act as such for a period of 3 years w.e.f. 08/10/2008 with the powers of the Management of whole or substantially the whole of the affairs of company as of a Manager, as defined u/s 2 (24) of the Companies Act 1956, subject to the superintendence, control and direction of the Board of Directors of the Company with the power to the Board of Directors / Remuneration Committee to vary, alter or determine the terms of appointment thereon from time to time."

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956.

Item no. 5:

In order to enable the Company to implement the amended and / or to be amended, certain provisions of the Companies Act, 1956 & Rules made thereon and provisions of Depositories Act, 1996, it is necessary to amend the Articles of Association of the Company in conformity with the statutory provisions of the said Acts. Further consequent to the change in the Management and control of the Company pursuant to the Share Purchase and Shareholders Agreement (SPSA) Dt 11th February, 2008 entered between Apar Industries Ltd (AIL) and Baid family members, (the erstwhile promoter of the Company) and Company and subsequent to successful completion of the Open Offer made by AIL, it has become necessary to amend / alter or delete certain provisions of the Memorandum and Articles of Association of the Company.

A copy of the Articles of Association of your Company together with the proposed alterations is available for inspection by the members of the Company at its Registered Office between 11.00 a.m. and 3.00 p.m. on any working day of the Company.

None of the Directors of the Company is in any way concerned and interested in the proposed resolution.

The Board, therefore, commends the Special Resolution for approval of the Members.

Item no. 6 :

Item No. 6 of the notice relates to maintaining the records relating to Register of Members and Share Transfer Books



NOTICE....(Contd.)

and other shares related records and registers at the Registrar & Share Transfer Agents office and /or such other offices of the Company situated within the city, town or village in which the Registered Office of the Company is situated instead of keeping them at the Regd. Office.

As per Section 163 of the Companies Act, 1956, the Register of Members, Register of Debentureholders, Index of members and debenture holders and copies of all Annual Returns under Section 159 and 160 together with copies of certificates and documents required to be annexed thereto under Section 160 and 161 of the Companies Act, 1956 are to be kept at the Registered Office of the Company.

In order to maintain the aforesaid registers, records, etc. at Registrar and Transfer Agents Office and /or such other Company's Office, to facilitate servicing shareholders a Special Resolution is required to be passed in terms of provision of Section 163 of the Companies Act, 1956.

As statutorily required by Clause (iii) of Proviso to Section 163(1) of the Companies Act, 1956, a copy of the draft of the Resolution has been submitted to the Registrar of Companies, Mumbai.

None of the Directors of the Company is in any way concerned and interested in the proposed resolution.

The Board, therefore, commends the Special Resolution for approval of the Members.

Item No : 7

The agenda item no 7 of the notice relates to the approval for appointment of Shri V K Bajaj (on deputation from Apar Industries Ltd, a Holding Company) as Manager within the meaning of Section 2(24) of the Companies Act 1956 for a period of 3 years w.e.f. 08/10/2008, without any remuneration from the Company.

Mr Bajaj is an Electrical Engineer having over 30 years of varied managerial experience in reputed companies like Cable Corporation of India Ltd, Finolex and RPG Cables etc. He will be responsible for the overall management and operations of the Company with whole or substantially the whole of the affairs of Company and is not a director of the Company.

The Board of Directors of the Company subject to the approval of the members, consented to the above appointment of Shri V. K. Bajaj as Manager.

The above be treated as an abstract of the terms of appointment of Mr Bajaj under Section 302 of the Companies Act.

None of the Directors are interested in the aforesaid resolution. The board therefore recommends the resolution for approval by the Members.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE TIME APPOINTED FOR THE MEETING
2. The Register of Members and Share Transfer Books for the Equity Shares of the Company shall remain closed from 10th day of December, 2008 to 15th day of December, 2008, (both days inclusive).
3. Members desirous of obtaining information / details about the accounts, are requested to write to the Company at least one week before the meeting, so that proper information can be made available at the time of meeting.
4. The details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting as required in terms of Clause 49 of the Listing Agreement of the Stock Exchanges are also annexed hereto and forming part of the Notice.
5. The requisite Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto and forming part of the Notice.
6. The copy of Articles of Association of the Company is available for inspection at the Registered Office between 11.00 A.M. and 3.00 P.M. on any working day of the Company.

By Order of the Board

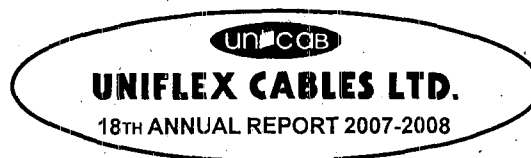
(M. C. Bhalawat)
Company Secretary

Registered Office:

Apar House, Corporate Park,
Sion-Trombay Road,
Chembur,
Mumbai - 400 071

Place : Mumbai.

Date : 25th October, 2008.



**Details of Directors seeking appointment / re-appointment at the
ensuing Annual General Meeting.**

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Name of Director	Dr. N. D. Desai	Shri H. N. Shah
Date of Birth	22.05.1940	20.06.1928
Date of Appointment	11.02.2008	30.08.2008
Expertise in specific functional areas	Electrical Engineering	Chartered Accountant
Qualifications	B.Sc. (Hons.), London, M.S.Ele. Engg., Ph.D., Penn., USA, Sigma XI, A.A.M.I.E.E.	B. Com., F.C.A.
List of other Companies in which Directorship held as on 31.03.2008.	1. Apar Industries Limited 2. Apar Masat Conductors Ltd. 3. Apar Corporation Pvt. Ltd. 4. Consumers Services Pvt. Ltd. 5. Scope Pvt. Ltd.	1. Apar Industries Limited
Chairman / Member of the Committee of other Public Companies on which he is a Director as on 31.03.2008.	1. Apar Industries Limited - Sub Committee of Directors (Chairman) - Share Transfer & Share- Holders' Grievance Committee (Member)	1. Apar Industries Limited - Sub Committee of Directors (Member) - Compensation Committee (Member)
No. of Shares held in the Company	NIL	NIL
Relationship between directors inter se	Related to Shri K N Desai and Shri C N Desai (sons)	NIL

uniflex
UNIFLEX CABLES LTD.
18TH ANNUAL REPORT 2007-2008

DIRECTORS' REPORT

To The Members,

Your Directors hereby present the Eighteenth Annual Report of the Company together with the Audited Annual Accounts showing the financial position of the Company for the year ended 31st March, 2008.

A. FINANCIAL RESULTS

	(Rs. in Lacs)	
	31-Mar-08	31-Mar-07
	*(12months)	(9 months)
Operating Profit	707.69	688.43
Less : Interest & Finance Charges	(1,024.01)	(336.77)
(Loss)/Profit before Depreciation & Tax	(316.32)	351.66
Less : Depreciation / write off	(481.27)	(333.56)
(Loss)/ Profit before Tax & Extra Ordinary Items	(797.59)	18.10
Add : Extra Ordinary Items	—	2,465.51
(Loss)/Profit before Tax	(797.59)	2,483.61
Less : Provision for Tax	0.2	—
Less : Provision for Tax (Fringe Benefit Tax)	6.29	3.26
Less : Provision for Tax for earlier year	—	13.98
(Loss)/Profit after Tax & available for appropriation	(804.08)	2,466.37
Add/Less : Transferred from / (to)		
Debt Redemption Reserve	954.00	(954.00)
Deficit brought forward from previous year	(1,906.08)	(3,418.45)
Balance available for appropriations	(1,756.16)	(1,906.08)

* Note : The current year figures are not comparable with the previous year figures that are for 9 months period.

In view of the losses, your Directors do not recommend any Dividend for the year.

B. REVIEW OF OPERATIONS

During the 12 months period ending 31st March, 2008 the Company has achieved Sales Turnover (net of taxes) of Rs.10,671.29 Lacs as against Rs. 2,805.18 Lacs for 9 months period ending 31st March, 2007. This shows an increase in the turnover during the current financial year. However, this was not sufficient to break-even & the Company has incurred a Net loss of Rs.797.59 Lacs before tax.

During the year under review your Company could not

participate in more tenders due to non availability of working capital limits from banks.

C. Change in Control & Management -Apar Industries Ltd – New Promoter

During the year under review, Apar Industries Ltd (AIL) a listed, Profit making and consistent dividend paying Company (listed on BSE & NSE), entered into a Share Purchase and Shareholders' Agreement (SPSA) on 11th February, 2008 with the Company and Baid family members, the then promoter group of the Company, for acquisition of 40,81,000 Equity shares resulting in change in control and management of the Company.

Currently, AIL has two business divisions; i) Transformer Oil and Specialty Oils, ii) Conductor, each of which has significant market share position in its segment. AIL Conductor business is similar to that of Company and its operations are complimentary to the Company's business.

On successful completion of the open offer pursuant to SEBI Takeover Regulations by AIL on 28th July, 2008, AIL now holds 65.47% of the paid up Equity share Capital of the Company as further explained in the para D below. Consequently, AIL has (i) become the Promoter of the Company, ii) acquired Control and Management of the Company and (iii) the Company has become subsidiary of AIL.

Consequent to the change in Management, your Company foresees higher turnover and better performances. The new management shall ensure compliances of Indian GAAP and adherence thereto in its entirety.

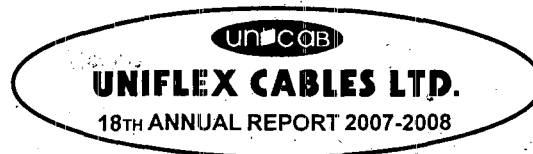
D. Share Capital

During the year, your Company increased its Authorized Capital upto 30 Crores divided into 3 Crores Equity Shares of Rs.10/- each by adding 25 lacs equity shares of Rs. 10/each.

In terms of the SPSA, your Company issued new Equity Warrants as under :

- i) 40 lacs to Apar Industries Limited (AIL)
- ii) 6 lacs each to two other Bodies Corporate

on Preferential Allotment basis each convertible into



DIRECTORS' REPORT....(Contd.)

one fully paid equity share of Rs10/- each at an exercise price of Rs.42.50 per Equity Warrant.

Further, your Company issued :-

- i) 72,76,800 new Equity Shares of Rs.10/- each fully paid to AIL upon conversion of
 - a) 29,26,800 Fully Convertible Debentures (FCDs)
 - b) 29,50,000 Equity Warrants (a & b were acquired by AIL from ADM Maculus Fund) and
 - c) 14 lacs equity warrants (out of 40 lacs warrants issued under Preferential allotment as stated above).
- ii) 26,67,000 new Equity Shares of Rs.10/- each fully paid to Baid Family & Associates (erstwhile Promoters) and 5,33,000 new Equity shares Rs.10/- each fully paid to Brescon Corporate Advisors upon conversion of total 32,00,000 Equity warrants into equal number of fully paid equity shares.

After above issue of fresh Equity shares the paid-up capital of the company has increased to Rs.24, 98, 03, 660 consisting of 2,49,80,366 Equity shares of the face value of Rs. 10/- each fully paid.

E. Listing

The Company's equity shares are listed on Bombay Stock Exchange Ltd., Mumbai (BSE). Company has received listing and trading permission from BSE for new equity shares issued as stated in the foregoing para.

F. Redemption of NCD

During the year, Company has redeemed High Cost Non Convertible Debentures of all 3 series amounting to Rs. 6,218 Lacs held by India Debt Management Ltd (IDML) from the short term loan sanctioned by Yes Bank Limited.

G FUTURE OUTLOOK

The medium and long term future outlook for cable industry seems to be bright as the demand for Power Generation & its distribution enjoys top priority of the Government.

India's need of the hour is to build Power Generation capacity and over Rs.1,00,000 Crore is likely to be invested for generation and transmission of Power by 2012 during eleventh five year plan which will create demand for power cables.

The telecom sector is also expecting some growth and

with next phase of expansion, seen in broadband communication whereby Optical Fibre Cable will also have a better demand.

With change in control and management, your company expects to achieve higher sales and better performance in the years to come.

H. CORPORATE GOVERNANCE

The directors fully endorse the principles of Corporate Governance and to implement the same as per requirements of Clause 49 of the Listing Agreement and the points which are required to be covered under the head "Management discussion and analysis" is also attached to this Report.

I. RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with regard to the Director's responsibility statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2008, the applicable accounting standards were followed along with proper explanations relating to material departures, if any,
- ii. Appropriate accounting policies were selected and applied consistently and judgement and estimates made 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 loss of the Company for the financial year under review.
- iii. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956.
- iv. The annual accounts were prepared on a going concern basis.

J. DEPOSITS

Your Company has not accepted any fixed deposit from public within the meaning of Section 58-A of the Companies Act and rules made thereunder.

K. CHANGE IN DIRECTORS/MANAGEMENT

I. Resignation

- i. The three Nominee Directors of ADM / IDML