

STATEMENT ON CORPORATE GOVERNANCE (2007-2008)

The Company is committed to doing business in an efficient, responsible, honest and ethical manner. Good Corporate Governance goes beyond compliance and involves a Company wide commitment. This commitment starts with the Board of Directors, which executes its corporate governance responsibilities by focusing on the Company's strategic and operational excellence and in the best interests of all our stakeholders, in particular shareholders, employees and our customers in a balanced fashion with long term benefits to all.

1. Board of Directors:

a) Composition and category of Directors:

The Board of Directors of the Company consists of four Directors. The composition and the category of Directors are as under:

No. of Board Meetings:

Four Board Meetings were held during the year 2007-2008 on the following dates.

02.04.2007, 23.07.2007, 22.10.2007 and 11.02.2008

b) Attendance of Directors at Board Meetings and the last Annual General Meeting.

Category	Name of the Directors	Name of Other Director-Ships	No.of Memberships of other Board Committees (Excluding Alternate Directorships)	No.of other Board/ Committees of which the Director is a Chairperson
Chairman	Shri Pradeep Agarwal	4	NIL	1 (Share Transfer)
Non-Executive Director	Shri S.D.Vyas	4	2 (Share Transfer and Audit)	-
Non-Executive Director	Shri V.S. Didwania	NIL	NIL	NIL
Non-Executive Director	Shri S. Srinivasan	4	1 (Audit)	NIL

The Audit Committee was constituted during the year 2004-2005 in view of the requirements of SEBI Regulations comprising following two independent Directors and the Managing Director.

The terms of reference of the Audit Committee are:

- a) To review financial statements and pre-publication announcements before submission to the Board;
- b) To ensure compliance of internal control systems and action taken on internal audit reports;
- c) To apprise the Board on the impact of accounting policies, accounting standards and legislation;
- d) To hold periodical discussion with statutory auditors on the scope and content of the audit.
- e) To review the Company's financial and risk management policies.

2. Meetings of Management Audit Committee:

During the year, one meeting of Management Audit Committee was conducted on 1st August, 2007 as against the requirement of at least three Committee Meetings in a year as per Clause 49 of the Listing Agreement.

Names of the Directors	Dates of Committee Meetings and attendance
Shri S.D. Vyas	01.08.2007 and 30.08.2008
Shri S. Srinivasan	01.08.2007 and 30.08.2008

3. Shareholders' Grievance Committee:

The Shareholders' Grievance Committee was constituted during the year 2004-2005 in view of the requirements of SEBI Regulations comprising the following members:

Shri Pradeep Agarwal and Shri S.D. Vyas

Meetings of the Shareholders' Grievance Committee were held on 02.04.2007, 23.07.2007, 22.10.2007 and 11.02.2008 where Members of the Committee were present. It was reported in the Meeting that no complaint was received.

To expedite the process of Share Transfers, the board has delegated powers of Share Transfers to Share Transfer Agents and they are attending to the share transfer formalities at least once in a fortnight.

4. Remuneration Committee:

The Remuneration Committee was constituted during the year 2004-2005 in view of the requirements of SEBI Regulations comprising the following members:

Shri Pradeep Agarwal and Shri S.D. Vyas

No meeting of remuneration committee was held during the year.

Details of Remuneration paid to Directors.

S.No.	Name of the Director	Relationship with other Directors	Sitting Fee for Board & Committee Meetings	Salary/ Perquisites & Commission
1.	Shri.S. Srinivasan	NIL	10000.00	NIL

5. General Body Meetings:

Year	AGM	Location	Date	Time
2004-05	16 th	Registered Office	30.09.2005	11.00 a.m.
2005-06	17 th	Registered Office	30.09.2006	11.00 a.m.
2006-07	18 th	Registered Office	29.09.2007	11.00 a.m.

6. (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

In terms of Section 299 (3) of the Companies Act, 1956, the General Notices of disclosure of interest are obtained from the Directors and accordingly, the Register of Contracts under Section 301 of the Companies Act, 1956 is tabled and signed.

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

In the year 2001, the shares of the Company were put under suspension by the Bombay Stock Exchange. The Company has approached the Bombay Stock Exchange and completing the formalities for revoking the listing.

Otherwise, no strictures and penalties have ever been imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities, on matters related to capital markets.

7. Means of Communication:

Quarterly/Half Yearly Financial Results of the Company are forwarded to the Ahmedabad and Mumbai Stock Exchanges as and when taken on record by the Board and Audit Committee. The Company does not have any website and therefore, no information is displayed on the same. However, Limited Review/Results for the quarters could not be taken within the stipulated time.

8. Management Discussion and Analysis Report:

The Company was a Sick Unit and was discharged from BIFR in June 2006.

9. Shareholders Information:

Annual General Meeting:

Date : 30th September, 2008

Time : 11.00 a.m.

Venue : Company's Registered Office at Shop Nos. FF 7 – 9, Advance Plaza
F.P.No.105, Outside Delhi Gate, Shahibaug Road, Ahmedabad-380004