

NOTICE

NOTICE is hereby given that the First Annual General Meeting of the Members of Ethnic Designers Private Limited will be held on Monday, the 25th September, 2006 at 5.00 P.M. at the Registered Office of the Company at 6926, Jaipuria Mills, Clock Tower, Subzi Mandi, Delhi-110007 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended March 31, 2006 and the Balance Sheet as at that date and the Report of the Directors and Auditors thereon.
2. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. Messrs. Kumar Piyush & Co., Chartered Accountants, have consented to act as Auditors of the company.

SPECIAL BUSINESS

3. The company has no Special Business.

By Order of the Board

(Sri Prakash Agarwal)
Director

Place: Delhi
Dated: July 22, 2006

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is given below and forms part of the Notice.

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

ITEM NO. 3

The company has no Special Business

By Order of the Board

(Sri Prakash Agrawal)
Director

Place: Delhi
Dated: July 22, 2006

DIRECTORS' REPORT

The Members of Ethnic Designers Private Limited

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

FINANCIAL RESULTS

The Company has been incorporated on June 2, 2005 and the current accounting year is of 302 days. Since this is the first year of the operation of company, previous year figures do not exist. However, the financial highlights for the period under review are as under:

(Rupees in Lakhs)	
PARTICULARS	Period ended 31.03.2006
Sales and Other Income	-
Profit/(Loss) before Interest and Depreciation	(0.056)
Less: Finance Charges	..004
Less: Depreciation	-
Profit/(Loss) for the Year	(.060)
Less: Provision for Income Tax	-
Add/(Less): Deferred Tax Assets/ (Liability)	-
Net Profit/(Loss) for the Year	(.060)
Profit/(Loss) carried to the Balance Sheet	(.060)

DIVIDEND

Since the company does not have any profit during the period under review, the Directors regret their inability to propose any dividend.

DIRECTORS

In accordance with requirement of Companies Act, 1956 and the Article of Association of the Company, Mr. Sailesh Kumar Gupta is liable to retire by rotation and is eligible for re-appointment

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2006, the applicable accounting standards had been followed and no material departure have been made from the same;
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

- (iii) That Directors have 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 annual accounts for the financial year ended 31st March, 2006 have been prepared on a 'going concern' basis.

AUDITORS

Messrs. Kumar Piyush & Co., Chartered Accountants, the Statutory Auditors will retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

COMPLIANCE CERTIFICATE

In accordance with the provisions of Section 383A of the Companies Act, 1956, your Company is not required to obtain Compliance Certificate.

PARTICULARS OF EMPLOYEES

There was no employee in respect of whom information is required to be given pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended up-to-date.

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

The particulars relating to conservation of energy and technology absorption are not applicable to the Company. However, efforts are being made to conserve and optimize the use of energy, wherever possible.

During the year under review, your Company has neither earned nor spent any foreign exchange.

ACKNOWLEDGEMENTS:

The Directors would like to thank the Government, Banks, Authorities, Employees, Shareholders and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

For and on behalf of the Board

(Sri Prakash Agrawal)
Director

Place: Delhi
Date: July 22, 2006
