



JONJUA OVERSEAS (P) LTD.

Regd. Office: HM 228 (1st Floor), Phase 2, S.A.S. Nagar, Mohali, Near Chandigarh (India) - 160 055
Telephone: (91)-172-670622

Mailing Address : P.O. Box No. 10, S.A.S. Nagar - 160055 Punjab
Our Ref. No. ROC/01/06 dated September 01, 1997.

DIRECTORS REPORT

Dear Shareholders,

Your Directors hereby submit the Fifth Annual Report alongwith audited accounts for the year ended on 31.03.1997.

1. Financial Operations:

We are pleased to inform you that operating loss for the year just ended has been brought down to 20% of the previous year. This has been achieved by prudent cost cutting by the management without compromising on efficiency. These losses can be looked upon as cost of putting in place a vast global network and cost of access to state of art technology in disposal of municipal solid waste, air and water pollution, wheat milling and overseas agro commune development plans in conjunction with various agencies/ Government linked bodies of Africa. To fund our plans, we are looking at Venture Capital/Listing overseas.

2. Future Prospects:

In the forthcoming year we see stabilisation of overseas technology for Indian environment. The gestation period of the projects envisaged by the Company is very long and globally accepted as such. The management is prepared to wait for these technologies to become commercially viable with windfall gains.

3. Conservation of Energy:

The Company's operations are not energy intensive as no manufacturing activity is involved. However, staff has been made aware of energy conservation.

4. Technology Absorption:

The Company has access to state of art technology from CEMS, Canada; Imabe Iberica, SA of Spain; and Alapala Machine Industry & Trade Inc., Turkey in the critical areas of environment and wheat milling. These are being studied and stabilised for Indian conditions.

5. Foreign Exchange Earnings & Outgo:

Nil.

6. Auditors:

M/S. KBL Chopra & Co., Chartered Accountants, who retire at the close of the Fifth Annual General Meeting and being eligible offer themselves for reappointment till conclusion of the next Annual General Meeting.

7. Particulars of Employees:

There is no employee getting salary whose particulars are required to be given under Section 217 (2A) of The Companies Act, 1956.

8. Acknowledgements:

Your Directors are extremely grateful to the Shareholders, Global Associates, Bankers, Auditors and last but not the least to the Employees of the Company for their continued faith and support.

FOR & ON BEHALF OF THE BOARD

(MAJOR HS JONJUA, RETD.)
MANAGING DIRECTOR