

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors hereby submit the 1st Annual Report along with audited accounts for the year ended on 31.03.2013.

1. Financial Operations:

We are pleased to inform you that we have closed the year with operating profit.

2. Future Prospects:

In the year ahead, we see stabilization, consolidation and continued growth of business. We look forward to entering new markets.

3. Conservation of Energy:

The company's operations are energy intensive as manufacturing activity is involved. However, staff has been made aware of energy conservation.

4. Technology Absorption:

The company is directing its efforts on increased efficiency through state of art information technologies and techniques.

5. Foreign Exchange Earnings and Outgo:

There is no foreign earnings.

6. Auditors:

Sajjan Sunil & Co., Chartered Accountants also retire at the close of the 1st Annual General Meeting and being eligible offer themselves for re-appointment till the 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.

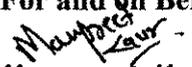
8. Directors Responsibility Statement:

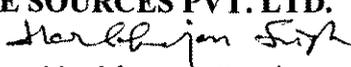
- a) Your Directors have taken care in the preparation of Annual Accounts that the applicable accounting standards have been followed along with proper explanation regarding to material departures.
- b) Your Directors have followed accounting policies and applied them consistently and prudently to give a true and fair view of the state of affairs of the company at the end of the financial year and the Profit and Loss Account for that period.
- c) Your 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 other irregularities.
- d) The Directors have prepared Annual Accounts on a Going Concern Basis.

9. Acknowledgements:

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

For and on Behalf of the Board of Directors of GLOBAL KNIFE SOURCES PVT. LTD.


Manpreet Kaur
Director


Harbhajan Singh
Managing Director

Place: Mohali.

Date: August 31, 2013.