

INTERADS EXPORT LIMITED

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance assumes a great deal of importance in the future business strategies of the Company.

II. BOARD OF DIRECTORS

(A) Composition of Board

The Present Board of Directors of the Company comprises Four Directors consisting all Non-executive Directors.

(B) Other provisions as to Board and Committee

The details of the other directorship of the Board and their attendance at the Board meetings held during the year, i.e. between April 1, 2007 to March 31, 2008 is given in the following table:

Name	Category	Board meeting Attendance	No. of at last AGM	No. of Committee	position held**	
		Attended during the Year		Directorship In other Companies \$	Chairman	Member
Mr. Sunil Kumar Sharma	Promoter-Non-Executive Director	5	Yes	-	-	-
Mr. Anil Kumar Sharma	Non-Executive Director Independent Director	5	Yes	-	-	-
Dr. Vishwa Nath	Non- Executive Independent Director	5	No	-	-	-

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§ Exclusive of the Directorship in Private Limited Companies, Non-Corporate Institutions, foreign Companies and Section 25 Companies.

The Board periodically reviews Compliance reports of all laws applicable to the Company and has put in place procedure to review steps taken by the Company to rectify the instances of non-compliances, if any.

(D) Number of Board Meetings held and dates:

During the financial year 2007-2008 the Board of Directors met five (5) times. The dates of the meetings are 30th April 2008, 30th July 2007 1st September 2007, 29th October 2007 and 28th January 2008.

(E) Information supplied to the Board:

The Board has complete access to all information with the Company. The information is provided to the Board and the agenda papers for the meetings are circulated in advance of each meeting. The information supplied to the Board includes:

- Business/Operating Plans,
- Quarterly, Half yearly and yearly results of the Company
- Minutes of the Meetings of audit Committees and other Committees of the Board.

The Board periodically reviews compliance of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances if any.

(F) Code of conduct:

The Board will make code of conduct for all the Board members and senior management personnel in the coming Board Meeting.

III. AUDIT COMMITTEE:

(A) Qualified & Independent Audit Committee:

The Company had re-constituted Audit Committee on 26th August, 2007. It is functioning as under:

- (i) At present the committee comprises of three Directors viz Shri Sunil Kumar Sharma, Promoter and Non-executive Directors . Shri Anil Kumar Sharma, Non-executive Independent Director and Dr. Vishwa Nath, Non-executive Independent Directors .
- (ii) All the members of the committee are financially literate.
- (iii) Shri Sunil Kumar Sharma was appointed as Chairman of the Audit Committee.
- (iv) The term of reference of the committee have been revised in conformity with the provisions of section 292A of the Companies Act 1956 and the new/revised clause 49 of the listing agreement.

(B) Meetings of Audit Committee

During the year, five meetings of the Audit Committee were held on 30th April 2008, 30th July 2007 1st September 2007, 29th October 2007 and 28th January 2008.

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V. DISCLOSURES

(A) Related Party Transaction

The Company has not entered into any transaction of material nature with the promoters, the Directors or the management, their subsidiaries or relatives etc, that may have any potential conflict of interest with the company.

(B) Disclosure of Accounting Treatment

During the year, there has been no change in the accounting treatment of Accounting Standard applicable to the Company.

(C) Risk Management

In terms of new provision of Clause 49 & contemporary practices of good corporate governance, Company has developed the policies & procedures to assess the risk associated with the Company and minimization thereof and periodically informed the Board of Directors for their review to ensure that the executive management, controls the risk in accordance with the defined policies and procedures adopted by the Company.

Remuneration Committee (Non-Mandatory)

The Company is not paying any Remuneration to the Directors.

Shareholders'/ Investors' Grievance Committee:

The Board of Directors of the Company has re-constituted a Shareholders'/ Investors' Grievance Committee on 26th August 2007. The Shareholders'/ Investors' Grievance Committee presently comprises of two Directors viz Shri Sunil Kumar Sharma, Non-executive Director and Shri Vishwa Nath, Non Executive Independent Director.

In compliance with the SEBI guidelines the Company has appointed M/s. Skyline Financial Services Pvt. Limited as RTA (Registrar and Share Transfer Agent) to look after the share transfer, transmission, transposition, issuance of duplicate share certificate, share de-materialization / re-materialization etc. independently under the supervision and control of the Shareholders'/Investors' Grievance Committee.

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VI. REPORT ON CORPORATE GOVERNANCE

The quarterly compliance report has been submitted to the stock exchanges where the companies' equity shares are listed in the requisite format and duly signed by the compliance officer.

VII. COMPLIANCE

The other information for the benefit of the shareholders is as under:

(i) General Body Meetings:

Details of Location, Date and Time of Annual General Meetings held during last three years are given below:

Particulars	Time	Dated on which held	Venue
26 th A.G.M	2.00 P.M	28 th September 2007	1202, Akashdeep Building, 26-A, Barakhamba Road, New Delhi- 110 001
25 th A.G.M	2.00 P.M	30 th September 2006	1202, Akashdeep Building, 26-A, Barakhamba Road, New Delhi- 110 001
24 th AGM	2.00 P.M.	30 th September 2005	410, A.J. Chamber, Bank Street, 953/4. Naiwala, Karol Bagh, New Delhi-110005

The Company has not passed any special resolution in the previous 3 AGMs.

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(ii) General shareholder information Annual General Meeting

Day & Date : Wednesday, 30th September, 2008

Time : 1.00 P.M.

Venue : 1202, Akashdeep Building, 26-A, 110054
Barakhamba Road, New Delhi- 110 001

Date of Book Closure:

From 26th day of September 2008 to 30th day of September 2008 (both days inclusive) for the purpose of Annual General Meeting.

Dividend Payment date:

The Board of Directors has not recommended any dividend on equity shares for the financial year 2007-08.

Financial Calendar (Tentative):

- Next Annual General Meeting : Sept 2009
- Unaudited results for the quarter ended June 2008 : End July 2008
- Unaudited results for the quarter/half year ended September 2008 : End October 2008
- Unaudited results for the quarter ended December 2008 : End January 2009
- Un-audited results for the Quarter ended March 2009 : End April 2009
- Audited Results for the Year ending March 2009 : June/August 2009

Name of the Stock Exchanges on which the equity shares of the Company are listed:

Delhi, Mumbai and Jaipur.

Market Price Data:

Stock Market Data is not available, since no share of the Company has been traded during the financial year

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Distribution of shareholding as on 31.03.2008:

Shareholding Of nominal Value of	Share holders	Share Amount
Rs.	Number % to Total	Rs. % to Total
Upto – 500	283 40.84	106700 6.80
501-1000	278 40.12	215300 13.72
1001-2000	63 9.09	97600 6.22
2001-3000	15 2.16	39000 2.49
3001-4000	16 2.31	56800 3.62
4001-5000	13 1.88	59500 3.79
5001-10000	9 1.30	73700 4.70
10001 and above	16 2.31	920200 58.66
Total	693 100.00	1568800 100.00

Shareholding Pattern as on 31st March 2008:

Shareholders Category	Number of Shares	Percentage
(A) Promoter and Promoter Group		
(1) Indian Promoters:		
- Individual/HUF	611200	38.96
- Bodies Corporate	248000	15.81
(2) Foreign Promoters:		
	Nil	Nil
Total Shareholding (A)	859200	54.77
(B) Public Shareholding		
(1) Institutions:		
Mutual Funds/UTI	Nil	Nil
(2) Non-Institutions:		
Bodies Corporate	96600	6.16
Individuals	613000	39.07
NRIs/OCBs	Nil	Nil
Sub Total	709600	45.23
Total Shareholding (B)	709600	45.23
Total (A+B)	1568800	100.00

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Registrar & Share Transfer Agents:

**M/s. Skyline Financial Services
Pvt. Ltd**

246, 1st Floor, Sant Nagar, East of Kailash,
New Delhi - 110065

System of Share Transfer: The aforementioned RTA has its own infrastructure commensurate with the work undertaken and is manned by skilled and trained staff.

De-materialisation of shares and liquidity:

Company's shares are not available in Demat Form.

Outstanding GDRs/ADRs, and Convertible Bonds, Conversion date and likely impact on equity:

Not Applicable.

Address for correspondence:

Registrar

**M/s. Skyline Financial Services
Pvt. Ltd**

246, 1st Floor, Sant Nagar, East of Kailash,
New Delhi - 110065

**Sunil Kumar Sharma
Director**

**Vishwa Nath
Director**

Date: 1st September 2008
Place: New Delhi

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Regd. Office : 1202, Akashdeep Building, 26-A, Barakhamba Road, New Delhi – 110 001.

PROXY FORM

Folio No.

No. of Shares held:

I / we _____ of in the District of _____ being a member / members of the above named Company hereby appoint _____ of _____ in the District of _____ as my proxy to vote for me/us on my/ our behalf at the **27th Annual General of the Company to be held on Wednesday, 30th day of September 2008 at 2.00 P.M.** and at any adjournment thereof.

Signed this _____ day of _____ 2008

Signature _____

Affix
Revenue
Stamp

Note : This form in order to be effective should be duly stamped, completed and signed must be deposited with the Company's Registered Office not less than 48 hours before the time for holding the aforesaid Meeting.

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Regd. Office : 1202, Akashdeep Building, 26-A, Barakhamba Road, New Delhi – 110 001.

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

I hereby record my presence at the **27TH ANNUAL GENERAL MEETING OF INTERADS EXPORT LIMITED at 13 Bela Road, Civil Lines, Delhi - 110054 at 2.00 P.M. on Wednesday, 30th day of September 2008.**

Folio No.

No. of Shares held:

Name of the Shareholder
(Block Letters)

Signature

Name of the Proxy*
(Block Letters)

Signature

* To be filled if Proxy attends instead of member

NOTES

1. Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signature registered with the Company. The admission will, however, be subject to verification of signatures and such other checks, as may be necessary. Under no circumstances will any duplicate slip be issued at the entrance to the meeting hall.
2. **No Gifts/Coupons will be distributed at the meeting.**