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ANNUAL REPORT
2001-2002

TOUBRO INFOTECH AND INDUSTRIES LIMITED

TOUBRO INFOTECH AND INDUSTRIES LTD.

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BOARD OF DIRECTORS	Mr. Kanwar Deep Singh, Chairman & Managing Director Major Gurjeet Singh (Retd.), Director Mr. Ravinder Singh, Director Mr. Sergio Cereno, Director, (Nominee of Cem Investing & Gen. Trade SA of Switzerland) Mr. R.P. Chhabra Mr. Sarabjit Singh Mr. Lakhwinder Singh
AUDITORS	M/s Kumar Chhabra & Co. Chartered Accountants, Chandigarh & T.S. Kapoor & Co. Chartered Accountants, Patiala
BANKERS	Bank of Baroda, Sector 22-B, Chandigarh HDFC Bank, Sector 8-C, Chandigarh Punjab National Bank, Sector 17-C, Chandigarh
REGISTERED OFFICE	Village Dappar, Ambala-Chandigarh Highway, Distt. Patiala, Punjab (India)
CORPORATE OFFICE	SCO 12-13, Sector 9-D, Madhya Marg, Chandigarh Phone : 0172-743480-81-82 Fax : 740080 email : wdc@icybnp.com
FACTORIES -	
FLOWER DIVISION	Vill. Dappar, Distt. Patiala, Punjab (India) Phone : ++91-175-2772686, 67, 88
STEEL DIVISION	Vill. Chanalon, Near Kurali, Distt. Ropar, Punjab (India) Phone : ++91-1868-640018, 641170
FOOD PROCESSING DIVISION	(i) Vill. Banmajra, Ropar Kurali Road, Distt. Ropar, Punjab (India) Phone : ++91-1888-842607 (ii) Vill. Ranjitpura, Kurali-Morinda Road, Distt. Ropar (Pb.) (iii) Vill. Boothgarh, Morinda-Ludhiana Road, Distt. Ropar (Pb.)
IT DIVISION	S.C.O. 24-25, Sector 9-D, Madhya Marg, Chandigarh Phone : ++91-172-743480-81-82
BIO-TECH DIVISION	Village Kunoghata, Nalgarh, Distt. Sirmour (H.P.)

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NOTICE

Notice is hereby given that the THIRTEENTH Annual General Meeting of the Company will be held on Thursday the 30th January 2003 at 10.00 A.M. at the Registered Office of the Company i.e. Village Dappar, Ambala-Chandigarh Highway, District Patiala (Punjab) to consider and transact the following Business, viz. :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th June, 2002 and the Profit & Loss Account for the year ended on that date together with the Reports of the Auditors' & Directors' thereon.
2. To appoint a Director in place of Mr. Sarbjit Cheema who retires by rotation & who being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. R.P. Chugani who retires by rotation & who being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors who will hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. M/s N.Kumar Chhibber & Co. Chartered Accountants, Chandigarh, and M/s T.S. Kapoor & Co. Chartered Accountants, Patiala, being the retiring Auditors are eligible for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit to pass, with or without modifications(s), the following resolution as an ordinary Resolution :-

   Resolved that Mr. Sarbjit Singh who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 11th September 2002, & whose term expires at the Thirteenth Annual General Meeting of the Company scheduled to be held on 30th January, 2003, and for the appointment of whom the Company has received a notice under Section 257 of the Companies Act 1956 from a member proposing his candidature for the office of the Director, be & is hereby appointed a Director of the Company whose period of office will be liable to determination by retirement by rotation.

6. To consider and if thought fit to pass with or without modification(s), the following Resolution as an Ordinary Resolution :-

   Resolved that Mr. Lakhwinder Singh who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 11th September 2002 & whose term expires at the Thirteenth Annual General Meeting of the Company scheduled to be held on 30th January 2003, and for the appointment of whom the Company has received a notice under Section 257 of the Companies Act 1956, from a member proposing his candidature for the office of the Director, be & is hereby appointed a Director of the Company whose period of office will be liable to determination by retirement by rotation."

By Order of the Board
For Touro Infotech And Industries Limited

(KANWAR DEEP SINGH)
Chairman Cum Managing Director

PLACE : CHANDIGARH
DATED : 2nd January, 2003

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NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint any person as his/her proxy to attend and vote on poll instead of himself/herself and the proxy need not be a member.
2. The proxy in order to be effective must be deposited with the Company's Registered office/Head Office at least 48 (Forty eight) hours before the commencement of the meeting. Blank proxy form is attached herewith.
3. The Register of Members/Share Transfer Books of the Company will remain closed from Thursday the 23rd January 2003 to Thursday the 30th January, 2003. (Both days inclusive)
4. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special Business is enclosed herewith & forms part of the Notice.
5. Members are requested to notify the change in their address (if any) to the Company.
6. In case of joint shareholders, if more than one holder desires to attend the meeting, he/they must obtain the additional attendance slip from the Company's Registered office/Head office.
7. Members are requested to please bring their own copy of Annual Report, because no additional copy of the Annual Report will be provided at the Annual General Meeting.
8. Members who have multiple accounts in identical names or joint accounts in same order are requested to intimate the company, the ledger folios of such accounts to enable the company to consolidate all such shareholdings in one account.

Explanatory Statement Pursuant to Section 173(2) of the Companies Act 1956.

ITEM NO. 5

Mr. Sarabjit Singh was appointed as an Additional Director pursuant to Section 260 of the Companies Act 1956 on 11th September 2002, and he ceases to hold the office of the Director on the date of the forthcoming Annual General Meeting of the Company.

The Company has already received a Notice proposing the Candidature of Mr. Sarabjit Singh along with the sum of Rs. 500 (Rupees five hundred only) from a member, pursuant to Section 257 of the Companies Act 1956.

Directors recommend the passing of the Resolution.

None of the Directors except Mr. Sarabjit Singh may be deemed to be interested in this Resolution.

ITEM NO. 6

Mr. Lakhwinder Singh was appointed as an Additional Director pursuant to Section 260 of the Companies Act 1956, on 11th September, 2002, and he ceases to hold the office of the Director on the date of the Forthcoming Annual General Meeting of the Company.

The Company has already received a Notice proposing the Candidature of Mr. Lakhwinder Singh alongwith the sum of Rs.500 (Rupees five hundred only) from a member, pursuant to Section 257 of the Companies Act 1956.

Directors recommend the passing of this Resolution.

None of the Directors except Mr. Lakhwinder Singh may be deemed to be interested in this Resolution.

By Order of the Board
For Touchstone Infotech And Industries Limited

(KANWAR DEEP SINGH)
Chairman Cum Managing Director

PLACE :CHANDIGARH
DATED: 2nd January, 2003

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DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting their Thirteenth Annual Report together with the Audited Accounts for the year ended 30th June, 2002

FINANCIAL RESULTS

Your Directors are pleased to inform you that, your company has achieved a turnover of Rs 5103 lacs during the year under review as compared to Rs 5086 lacs for the year ended 30th June 2001. Whereas the profit after tax for the year under review is Rs 340 lacs as compared to Rs 509 lacs for the previous year ended 30th June, 2001.

The Financial Results for the Financial Year under Review are as follows

	(Rs. in lacs)
Total Income	5103.30
Gross Profit before Interest & Financial Charges and Depreciation	637.13
Less Interest and Financial Charges	18.44
Depreciation	108.21
Provision for Taxation	nil
Net Profit carried to Balance Sheet	340.48

Again, your Director has pleasure in informing you that the Company's Food Processing Plant is near completion. The Ultra modern imported plant used in the said project will be of international standards and produce Chicken meat under highly hygienic conditions, so as to meet the stringent quality control norms meant for export to America and European countries.

The project has got good export potential, which in turn will bring in the substantial foreign exchange for the country apart from enhancing/improving the profitability of the company.

DIVIDEND

In order to preserve the Financial Resources for the Future Funds Requirements, your Directors have decided to plough back the Profits and not to declare any dividend for the year under Review.

DEPOSITS

As on 30th June 2002 the Amount of deposits held by the Company was Rs. 74.71 lacs.

Information pursuant to Section 217 of the Companies Act, 1956 :

Under Sub-Section (1) (e) :

Information with regard to conservation of energy, Technology absorption and Foreign Exchange earnings & outgo is enclosed herewith and forms an integral part of this report.

Under Sub-Section (2AA) :

During the year under review there was no such employee(s) in the Company drawing remuneration in excess of the limits prescribed under this section.

Under Sub Section (2AA)

To the best of their information/knowledge & belief and the confirmation and explanation provided to them, your Directors hereby make the following statement pursuant to Section 217 (2AA) of the Companies Act, 1956:

1. That in the preparation of annual accounts for the year the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
2. That such Accounting Policies as mentioned in Schedule 'M' of the Annual Accounts have been selected and applied consistently and judgements 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.

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3. That proper and sufficient care has been taken 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 frauds and other irregularities.

4. That the annual accounts for the year have been prepared on a going concern basis.

DEMATERIALISATION

Your Company pursuant to the Notifications issued by the Securities and Exchange Board of India (SEBI) making it compulsory for the shares to be in dematerialised form, entered into agreements with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL), to enable the trading of shares.

The Company's shares are now being traded in the dematerialised form.

CORPORATE GOVERNANCE

Your Company takes pride in the fact that various Recommendations made by the Committee on Corporate Governance are being practised by your company. A detailed Report appears in the Annexure to the Directors Report.

DIRECTORS

In accordance with the Articles of Association of the Company Mr. R.P. Chhabra and Mr. Sergio Carnevalini by rotation on the date of the forthcoming Annual General Meeting & being eligible, offer themselves for re-appointment. Further Mr. Sarabjit Singh and Mr. Lakhwinder Singh were born appointed as additional Directors pursuant to Section 260 of the Companies Act 1956, on 11th September 2002 & they ceases to hold their office on the date of the Forthcoming Annual General Meeting.

Now, their appointment is required to be confirmed by the shareholders in the forthcoming Annual General Meeting.

PERSONNEL

Your Directors continue to enjoy the Cordial Relations with employees at all levels.

Reply to Auditors comment in the Annual Accounts :-

In the context, we have to reply as under :-

Point No. 3

Although the amount of Rs 1,14,62,413/- being debtors is more than two years old, yet the Directors are sure of its recovery and this is the reason why no provision has been made for doubtful debts.

AUDITORS :

M/s M. Kumar Chhabra & Co., Chartered Accountants, and M/s T.S. Kapoor & Co., Chartered Accountants, Patiala, being the Statutory Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting of the Company, & being eligible they offer themselves for re-appointment.

Both M/s N Kumar Chhabra & Co. Chartered Accountants Chandigarh, and M/s T.S. Kapoor & Co. Chartered Accountants Patiala, have submitted a certificate pursuant to Section 224 (1B) of the Companies Act 1956, as to their eligibility.

ACKNOWLEDGEMENT

Your Directors wish to their place on Record their appreciation for the efforts and hard work of the Company's employees, the continued assistance and co-operation extended to your company by the various Banks, Financial Institutions, Government Departments & the large family of shareholders, depositors for their trust/confidence reposed in the Company.

By Order of the Board
For Toyam Infotech And Industries Limited

(KANWAR DEEP SINGH)
Chairman Cum Managing Director

PLACE : CHANDIGARH
DATED : 2nd January, 2003

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ANNEXURE I TO THE DIRECTORS' REPORT - DISCLOSURE OF PARTICULARS AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY

(a) Toubro are striving to make the best possible use of our available resources in order to achieve the efficiency in our operations along with the reduction of cost in our product line. Needless to say we have a monitoring & control system and any wastage if any is detected and immediate action taken further.

Form 'A'

Form for disclosure of particulars with respect to Conservation of Energy

		Current Year 2001-2002	Previous Year 2000-2001
a.	Power and fuel consumption		
1	Electricity		
	a) Purchased		
	Nos of Units	2,84,239	2,52,040
	Total Amount	10,05,465	11,47,165
	Rate per unit	Rs 3.54	Rs 3.53
	b) Own Generation	NIL	NIL
2	Coal	NIL	NIL
3	Furnace Oil	NIL	NIL
4	Others	NIL	NIL

B. DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AS PER FORM 'B'

1. RESEARCH & DEVELOPMENT (R & D)

(a) Future Action Plan

Creativity & Innovation are the integral parts of the Company's Business operations. Therefore the Research & Development (R & D) activity holds a pride of place in the Company's scheme of things. R & D activity in the Company is meant to achieve the twin objectives of Quality & wastage control.

(b) Expenditure on R & D

2. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION :

The Company has not taken any Foreign Technology for its Steel Division. The technology on which the Company runs its Steel Division is totally indigenous and has been fully absorbed by the Company and is generally improved in the normal course.

For the Flower division the whole of the Foreign Technology is provided by Flodec B.V. of Holland, a leading Dutch Company having vast experience in the successful implementation of Floriculture Projects throughout the world. The Company has fully absorbed the technology and is generally improving in the normal course. Whereas for its chicory processing project, the complete technology will be provided by foreign suppliers of Plant & Machinery.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(a) Activities relating to Exports and Export Plans

The Company has two Buy Back Agreements. One with Flodec B.V. of Holland and other with CAM Financing and General Trade, S.A. of Switzerland. Besides the company at its own has detailed new overseas markets in U.S.A. for its flowers & also relives exports to U.S.A.

(b) During the year under review there was no transaction involving the foreign exchange.

By Order of the Board
For Tauro Infotech And Industries Limited

(KANWAR DEEP SINGH)
Chairman Cum Managing Director

PLACE CHANDIGARH
DATED 2nd January 2003

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ANNEXURE II TO THE DIRECTORS' REPORT
CORPORATE GOVERNANCE REPORT FOR THE PERIOD 1st JULY 2001 TO 30th JUNE 2002.

A) COMPANY'S PHILOSOPHY

At Toubro we believe in the philosophy of betterment through performance because those words unless accompanied by performance carry no meaning

This philosophy of ours is based on the principles of passion, commitment, ethics, excellence, learning and above all the empowerment in all our acts and deeds so to say the trust/confidence of stakeholders, customers, associates and community at large

At Toubro, we continue to strive to transform the turbulent environment we operate in. We are committed to continuously improve our performance through constant review monitoring and delivering the best possible solutions, above all the profitability without compromising the quality and business ethics & the law of the land is the broad framework within which we are operating & would continue to operate

Again in our scheme of things Employees are the most valuable Assets of the organisation and the satisfied employees can take the organisation to any heights

Furthermore, We realise the value of knowledge and improvement because in this era of cut-throat competition where the competition is increasing not every day, rather with every passing moment, nobody can undermine the importance of Innovation & Creativity & Consistently this is guiding force of our business philosophy

We consider ourselves the Trustees not only of the monetary stake but also of the Trust & Confidence of our stakeholders, and this is our business philosophy and readiness to say this is also the pre-requisite for any organisation to grow and survive in the competitive scenario

Above all, we believe in Performance based on discipline & growth and stability accompanied with ability and accountability

As per the schedule of implementation of Corporate Governance Code mentioned in clause 49 of the Listing Agreement the Company has implemented the mandatory requirements of the said code. The Directors are pleased to report the same as under :-

B) BOARD OF DIRECTORS :

The Composition of the Board of Directors Number of Board Meetings and attendance at the Annual General Meeting & various Committees of the Board of Directors alongwith the outside Directorships as on 30th June 2002

Name of the Director	No. of Board meetings attended	Attendance at previous AGM	No. of Outside Directorship
Mr. Kanwar Deep Singh	5	Yes	5
Mr. Ravinder Singh	2	No	5
* Major Gurjeet Singh	2	No	1
Mr. R.P. Chhabra	3	Yes	2
Mr. Sergio Correia	Nil	No	
*Mr. Sarabjit Singh	Nil	No	-
*Mr. Lakhwinder Singh	Nil	No	-

* Appointed on 13th September 2002

During the year under review Five meetings of the Board of Directors were held on 1st on 20th August 2001 31st

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October 2001, 30th January 2002, 19th February 2002, & 30th April 2002

BOARD COMMITTEES

The Board of Directors in its meeting held on 5th July, 2000 had constituted three sub-committees viz namely

i) AUDIT COMMITTEE
ii) REMUNERATION COMMITTEE
iii) SHAREHOLDERS' GRIEVANCES REDRESSAL COMMITTEE

(Consisting of three Independent Directors)

Consequent to the various changes in the Board of Directors of the Company and the resulting reconstitution of the said Committees from time to time, the present composition of the said committees is as follows :-

1 Mr. R.P. Chhabra
2 Mr. Sarabjit Singh
3 Mr. Lakhwinder Singh

GENERAL BODY MEETING

YEAR	VENUE	DATE	TIME
2001	Vill Dappar, Ambala-Chd. Highway, District Patiala (Punjab)	10-01-2002	10.00 A.M.
2000	Vill. Dappar, Ambala-Chd. Highway, District Patiala (Punjab)	27-12-2000	10.00 A.M.
1999	Vill. Dappar, Ambala-Chd. Highway, District Patiala (Punjab)	15-02-2000	9.30 A.M.

DISCLOSURES

There has not been any non-compliance/penalties or strictures imposed on the Company by any of the Stock Exchanges, SEBI or any other statutory Authorities on any matter relating to the Capital Market during the last three years except the action initiated against the Company for the private placement of debentures.

During the year under review, certain legal proceedings were initiated against the Company for the Private Placement of the Debentures under various schemes and also certain violations of the relating laws.

The Company successfully contested the case in the Calcutta High Court & the Court ordered writ in favour of the Company, thereby absolving it of all the alleged violations.

MEANS OF COMMUNICATION

The quarterly and half yearly Working Results are published by the Company in the English and Vernacular newspapers as per requirements of the Listing Agreement. However, the Annual Report of the Company is sent to the shareholders every year at the time of Annual General Meeting of the Company. Moreover, the copies of the above documents are also sent to the various stock exchanges where the Company's shares are listed.

GENERAL INFORMATION FOR SHAREHOLDERS

ANNUAL GENERAL MEETING

DATE	10th January, 2003
DAY	Thursday
VENUE	Village Dappar, Ambala-Chd. Highway, District Patiala
TIME	10.00 A.M.

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LISTING ON STOCK EXCHANGES

The Company's shares are listed on following stock exchanges viz namely

1 The Stock Exchange (Mumbai)
Phiroze Jeejeebhoy Tower,
25th Floor, Dalal Street, MUMBAI

2 The Ludhiana Stock Exchange Association Limited
Phiroze Gandhi Market, LUDHIANA

3 The Delhi Stock Exchange Association Limited
3/4, Asaf Ali Road NEW DELHI

4 The Stock Exchange, Ahmedabad.
Kamdhenu Complex, Opp. Sahajanand College,
Panjarapole AHMEDABAD

5 The Calcutta Stock Exchange Association Ltd
7, Lyons Range, KOLKATA

The Company has paid the Annual Listing Fees upto date to all the Stock Exchanges where its shares are listed. Since the Company's shares are not actively traded at all these Stock exchanges except Stock Exchange, Mumbai the monthly high-low has been given in respect of this stock exchange only.

REGISTRAR AND SHARE TRANSFER AGENT

Transfer of shares in the physical form is being done by the Company at its Registered office itself. Whereas, the requests for re-Dematerialisation of shares are processed and confirmation is given to the respective Depositories viz National Depository Services Limited (NSDL) and Central Depository Services Ltd (CDSL) through the Registrar of the Company, M/s Intime Spectrum Registry Ltd. 3, Community Centre, Near Payal Cinema, Industrial Area, Naraina, New Delhi.

SHAREHOLDING PATTERN AS ON 30th JUNE 2002

CATEGORY	NO. OF SHARES	PERCENTAGE
Promoters and Associates	18,00,000	30.43%
Foreign Collaborators	3,10,000	5.00%
Public Financial Institutions	6,00,000	10.43%
Mutual Funds	2,700	0.05%
Trust (Indian)	3,800	0.06%
NRIs / OCB	7,34,437	12.95%
Others	19,99,863	38.09%
Total	52,50,400	100%

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