

Aplab



36th Annual Report 2000-2001

Aplab Limited	
36th Annual General Meeting	
Day & Date	: Wednesday 26th September, 2001
Time	: 3.00 p.m.
Venue	: Woodland Retreat, Plot No. 2, L.B.S. Marg, Thane - 400 604.
Please bring this copy to the Annual General Meeting	

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Aplab Limited

36th Annual Report 2000-2001

Board of Directors

P. S. Deodhar

P. J. Rele

U. S. Potnis

R. N. Doss

S. V. Joshi

K. R. Phadke

V. B. Shejwalkar

D. P. Naganand

R. C. Jain

S. R. Khanna

Chairman

Director & CEO

Marketing Director

Whole time Director

Director

Director

Director

Director

Director

Director

Registered Office & Works

Aplab House,

A-5, Wagle Industrial Estate,

Thane-400 604.

Tel: 5821861 Fax: 5823137

email: aplab@bom7.vsnl.net.in

Works

A-1, A-3, A-5 & A-6 Wagle Industrial Estate,
Thane 400 604.

6 & 18 Electronic Sadan II, Bhosari,
Pune 411 026.

Sales & Service Centres

Mumbai

New Delhi

Kolkata

Bangalore

Secunderabad

Lucknow

Chandigarh

Chennai

Coimbatore

Ahmedabad

Kochi

Trivandrum

Nagpur

Indore

Agra

Auditors

M. P. Chitale & Co.

Chartered Accountants

Mumbai

Bankers

Bank of Maharashtra, Thane

Corporation Bank, Thane

APLAB LIMITED**NOTICE**

NOTICE is hereby given that the THIRTY SIXTH ANNUAL GENERAL MEETING of APLAB LIMITED will be held at the Woodland Retreat, Plot No. 2, L.B.S. Marg, Thane 400 604 on Wednesday, 26th September, 2001 at 3.00 p.m. to transact the following business:

Ordinary Business:-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2001 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S.V. Joshi, who retires by rotation and being eligible, offers himself for re-appointment for one year.
3. To appoint a Director in place of Mr. D.P. Naganand, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

Special Business:-

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT in accordance with the provisions of Sections 269, 198 and 309 read with Schedule XIII and other applicable provisions, if any, of the companies act, 1956, the consent of the company be and it is hereby accorded to the appointment of Mr. Parag J. Rele as Whole-time Director designated as "Joint Chief Executive Officer" (Jt. CEO) of the Company for a period of three years with effect from 1st November, 2000 and subsequent change of designation as "Chief Executive Officer" (CEO) w.e.f 1st May, 2001, upon such terms and conditions as are set out in the draft agreement, submitted to this meeting and initialed by the Chairman for the purpose of identification, which agreement be and is hereby specifically approved with liberty and powers to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or the agreement so long as such changes are in conformity with the provisions of Schedule XIII to the Companies Act, 1956 or any amendments thereto, and are acceptable to Mr. Parag J. Rele."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 310, 311 and other applicable provisions of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to revise the remuneration and/or perquisites of Mr. Parag J. Rele at its discretion at any time during the term of his office provided that such revision will be in conformity with Part II of Schedule XIII to the Companies Act, 1956 and is in accordance with other stipulations contained in the Schedule as amended from time to time."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits of the company in any financial year during the term of office, the aforesaid remuneration and perquisites (except the commission on profits) or such remuneration as per Schedule XIII - Part II as applicable for the time being to the company, whichever is less shall be paid as the "Minimum Remuneration" to Mr. Parag J. Rele.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all necessary or desirable steps to give effect to this resolution."

Thane
Dated 30th July, 2001

By order of the Board

Parag J. Rele
Director & CEO

Registered Office:

Aplab House
A-5, Wagle Industrial Estate
Thane 400 604

36TH ANNUAL REPORT 2000-2001**Aplab****NOTES:**

1. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 in respect of Special Business under item 5 as set out above is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing a proxy must be lodged at the registered office of the company atleast 48 hours prior to the time fixed for the meeting.
4. The Register of Members and the Share Transfer Register of the company will remain closed from Wednesday, the 12th September, 2001 to Wednesday, the 26th September, 2001 (both days inclusive).
5. Members are requested to notify immediately on any change in their address to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company at its Share Department at Aplab House, A-5, Wagle Industrial Estate, Thane - 400 604 in respect of their physical share folios, if any.
6. The Company has already transferred, all unclaimed dividend declared upto the financial year ended 31st March, 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed their dividend upto the year ended 31st March, 1994 may submit their claim to the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, CBD, Belapur in the prescribed form.
7. Pursuant to the provision of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 1995 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 1995 or any subsequent financial year are requested to make their claim to the Registered Office of the Company. It may also be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.
8. Members who would like to ask any questions on the Accounts are requested to send their questions to Registered Office of the Company atleast 10 days before the Annual General Meeting to enable the Company to answer the questions satisfactorily.
9. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies at the Annual General Meeting. Members/Proxies should bring the attendance slip duly filled in and signed for attending the meeting.
10. All documents referred to in the Notice and Explanatory statement are open for inspection at the Registered office of the company during office hours on all days except Saturdays, Sundays and public holidays between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
11. Members are requested to note that with effect from 24th July, 2000, the Company's shares are placed under Compulsory Electronic Trading List for all class of investors.

INFORMATION AS REQUIRED UNDER CLAUSE 49 (VI)(A) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING APPOINTED/RE-APPOINTED**Mr. S.V. Joshi**

Mr. S.V. Joshi is a M.Sc with Electronics from Pune University. He was Whole-time Director on the Board of Aplab for 20 years. He has started Power Supply Division of Aplab and developed new power systems. He has vast experience in the field of Electronics.

Mr. S.V. Joshi is also Director in Swicon Micro Systems Pvt. Ltd., Contech Electronics Pvt. Ltd., Chairman of Thane Manufacturers' Association, Thane, a Member of Governing Council of V P M Polytechnic, Thane, Member of Governing Council of "Institute for Development of Electrical Measuring Instruments" and Babasaheb Gawde Institute of Management.

Mr. D.P. Naganand

Mr. D.P. Naganand is a B.Tech (Hons) from IIT, Kharagpur, majored in Electronics and Telecommunication Engineering and MBA from University of Western Ontario, majored in Finance. He has 30 years experience. He was nominated on the Board of Aplab by Siticable Network Limited a subsidiary of Zee Telefilms Limited.

Mr. D.P. Naganand is also Director in Zee Telefilms Limited, Zee Interactive Multimedia Limited & Siticable Network Limited.

APLAB LIMITED**Mr. Parag J. Rele**

Mr. Parag J. Rele is a B-Tech in Chemical Engineering from IIT Mumbai and did his MS in Chemical Engineering, Drexel University, Philadelphia, U S A. Mr. Parag J. Rele has traveled extensively in USA, Europe & Far East Countries for business promotions.

Mr. Parag J. Rele is also a Director of Intel Instruments and Systems Limited.

By order of the Board

Thane
Dated 30th July, 2001

Parag J. Rele
Director & CEO

Registered Office:

Aplab House
A-5, Wagle Industrial Estate
Thane 400 604

EXPLANATORY STATEMENT:

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 5

The Board of Directors of the Company appointed Mr. Parag J. Rele as Whole-time Director designated as "Joint Chief Executive Officer" (Jt. CEO) of the Company for a period of three years with effect from 1st November, 2000, at its meeting held on 30th October, 2000 and at the Board Meeting held on 30th April, 2001 his designation has been changed to "Chief Executive Officer" (CEO) of the company on such terms as contained in the agreement, draft of which was approved by the Board, subject to the approval of members at the Annual General Meeting.

The draft agreement to be entered into with Mr. Parag J. Rele contains inter alia the following terms and conditions:-

I. PERIOD: Three years with effect from 1.11.2000.

II. REMUNERATION:

(a) Salary : Rs. 6,48,000/- per annum or Rs. 54,000/- per month.

(b) Commission : 2% (two percent) of the net profits of the company (as computed in accordance with the Companies Act, 1956)

(c) Perquisites :

CATEGORY A

1. Housing I : The expenditure by the Company on hiring unfurnished accommodation for the Whole-time Director will be subject to the following ceilings :

(a) Mumbai, Calcutta, Delhi and Chennai : 60% (sixty per cent) of the salary, subject to 10% (ten per cent) payable by him.

(b) Other places : 50% (fifty per cent) of the salary, subject to 10% (ten per cent) payable by him.

Housing II:

In case the accommodation is provided by the Company, 10% (ten per cent) of the salary shall be recovered from the salary of the Whole-time Director.

Housing III : In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to House Rent Allowance @ 40% of the salary.

2. The expenditure incurred by the Company on gas, electricity, water and furnishings will be valued as per the Income-tax Rules, 1962. This will, however, be subject to a ceiling of 10% (ten per cent) of the salary.

3. Medical reimbursement : Expenditure incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

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4. Leave Travel Assistance : For self and family, subject to a ceiling of one months' salary in a year or 3 months' salary for a period of 3 years.
5. Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
6. Personal Accident Insurance : Premium not to exceed Rs. 2,000/- per annum.

CATEGORY B

Contribution to Provident Fund at 12% of the salary. The Gratuity will be payable as per the Company's rules and the same will not be considered for computation of the ceiling as per Gratuity Act.

CATEGORY C

The Company will provide a car to the Whole-time Director with reimbursement of expenses to the driver and also a telephone at his residence for office use. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

III DIRECTOR'S SITTING FEES:

The Whole-time Director shall not be eligible for any sitting fee for any Board or Committee meeting attended by him.

IV EARNED LEAVE:

As per rules of the company but not exceeding one month's leave for every eleven months of service and leave accumulated but not availed of will be allowed to be encashed at the end of tenure.

V MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits of the company in any financial year during the term of office, the aforesaid remuneration and perquisites (except the commission on profits) or such remuneration as per Schedule XIII - Part II as applicable for the time being to the company, whichever is less shall be paid as the "Minimum Remuneration" to the Whole-time Director.

Mr. Parag J. Rele is a B-Tech in Chemical Engineering from IIT Mumbai and did his MS in Chemical Engineering, Drexel University, Philadelphia, U S A. The Board was further informed that Mr. Rele has traveled extensively in USA, Europe & Far East Countries for business promotions. Considering his corporate exposure of 29 years as well as his suitable technological background, the company feels his participation will be helpful to assist the Chairman in new business development and strategising corporate re-engineering. Hence the Board felt advisable to propose the appointment of Mr. Rele as a Whole-time Director on the Board and designated him as "Chief Executive Officer" of the company.

The Board proposed appointment of Mr. Parag J Rele as Whole-time Director on the Board of the company on such remuneration in conformity with the provisions of schedule xiii to the Companies Act, 1956 as applicable to the company. The appointment and remuneration proposed to Mr. Rele needs approval of shareholders of the company under provisions of Companies Act, 1956. Accordingly, the Board commends the resolution at item 5 of the notice for approval of members.

A copy of the draft agreement referred to in the resolution is open for inspection by member at the Registered Office of the Company between 11.00 am and 1.00 p.m on all days except Saturdays, Sundays and public holidays, upto the date of Annual General Meeting.

This Explanatory Statement is and should be treated as an abstract under section 302 of the companies act, 1956.

Except Mr. Parag J. Rele, none of the other Directors of the Company in any way concerned or interested in the resolution.

By order of the Board

Thane
Dated 30th July, 2001

Parag J. Rele
Director & CEO

Registered Office:

Aplab House
A-5, Wagle Industrial Estate
Thane 400 604

APLAB LIMITED**DIRECTORS' REPORT**

To the Members

Gentlemen,

Your Directors present their 36th Annual Report of working of the Company together with the audited statement of accounts for the year ended 31.03.2001.

	Year ended 31-03-2001 (Rs. in lacs)	Year ended 31-03-2000 (Rs. in lacs)
Profit before interest, depreciation and tax	510.65	471.58
Interest	355.24	364.69
Depreciation	103.20	104.89
Profit/(Loss) before tax	52.21	2.00
Provision for taxation	7.75	0.40
Net Profit/(Loss)	44.46	1.60
Tax adjustment of earlier years	43.63	—
Amount available for appropriations	0.83	1.60
Out of which the following appropriations are made :-		
General Reserve (-)	0.82	1.60
Proposed Dividend	—	—
Corporate Dividend Tax	—	—

DIVIDENDS

The performance of the company continued to be under the strain of liquidity pressures as the full benefits of the additional subscription to capital were not derived during the year. While the performance of the company shows improvement, and the prognosis for the future looks good, the Directors have decided to conserve the liquidity and skip paying dividend for one more year.

REVIEW OF OPERATIONS

During the year under review the Company reported a total turnover including manufacturing, trading and service operations of Rs. 4713.12 lacs which is higher by Rs. 240.72 lacs, compared to previous year recording a growth of 5.11%. The cost of interest has gone down due to some debt reduction and is expected to further decline in the current year.

FINANCE

During the year the Company received Rs. 11.89 crores as subscription to additional capital from Siticable Networks Ltd in an arrangement by which Siticable acquired 26% of the expanded capital of your company by buying 13,21,200 fully paid-up equity shares of Rs.10/- each for cash at a price of Rs.90/- per share. This money was partly used to retire some long term debt and was also partly absorbed in the existing business. Some of this money was used to initiate new businesses like ATMs and PowerBooks.

Your company did not resort to any fresh long-term borrowings. It continues to avail of Cash Credit facility of Rs. 1265 lacs under consortium arrangement with Bank of Maharashtra and Corporation Bank.

PROSPECTS FOR THE CURRENT YEAR

During the year under review your company was able to exploit the association with Banqit AB, Sweden, and was successful in landing an order to supply Banqit ATMs and also to develop a SmartCard based ATM network.

This association with Banqit will be formalised to get a larger share of the Indian market for ATMs, as well, which is showing prospects of good growth. The scope of co-operation is extended to marketing, hardware manufacturing and software support. In spite of stiff domestic competition, your Company is getting encouraging response to this globally accepted product range.

The Company's prospects of entering the business of Fuel Dispensing Pumps required by all Oil Companies, both Indian and, soon, also International, are looking good with field trials of pumps showing excellent results. This has resulted into a trial order for 100 pumps of which 25 have been delivered and are performing satisfactorily. This new business is expected to add more than Rs. 3 crores to your company's turnover.

The Company has taken required steps to accelerate its trade recovery process during current year. Thereby overall liquidity position has already improved. This improvement will enable the Company to discharge the business on hand in time.

The order book position is satisfactory with orders of Rs.11.03 crores in hand.

36TH ANNUAL REPORT 2000-2001**RESEARCH AND DEVELOPMENT**

During the current year the Company continued its focus on R & D, especially developing new products by incorporating current technologies to cater to the international market. Some of the new products, which were developed during the year, are as follows:

1. 10KVA 3 Phase UPS Systems for Air HQ, New Delhi.
2. 75KVA 3 Phase UPS with special stabilizer in bypass line.
3. 3.4GHz Frequency Counter for army with more stringent specifications
4. Low Cost Function Generators Range
5. Microwave Source for CAT, Indore
6. Digital Timer for Greece Customer
7. Distortion & Sinad Meter suitable for EMI-EMC Testing for UK Customer
8. Defence Project for field enduring Power Racks

SUBSIDIARY COMPANIES

Intel Instruments & Systems Ltd., the export subsidiary at SEEPZ recorded exports of Rs. 378.47 lacs during the year 2000-2001 as against Rs. 405 lacs during the previous year and a loss of Rs. 5.21 lacs as against the profit Rs. 6.28 lacs previous year.

Aplab Display Devices & Systems Ltd., subsidiary located at Lonavala, has resulted into a turnover of Rs. 27.87 lacs and a profit of Rs. 2.31 lacs. However the old stock of material pertaining to manufacturing of Cathod Ray Tubes has been valued as scrap value and the amount of Rs. 20.27 lacs have been written off. The operations during the current year and the years to come will start reducing the accumulated losses.

AUDITORS REPORT

Your Directors would like to invite your attention to paragraph 4 and 5 of the Auditors Report and clarify as under :-

1. The Company had taken a cover under L.I.C. Group Gratuity Scheme and continued to be under scheme till 1997, when the maximum gratuity payable to employee under the Payment of Gratuity Act was Rs.1.0 lac. This limit was enhanced to Rs. 3.5 lac by Ordinance dated 24th September, 1997 by the Government of India. As a result of these the Company was called upon to pay Rs.1.2 crore by L.I.C. in March, 1998.

Considering the pros & cons of huge financial outgo on one hand and the Company's moral and contractual obligations towards retiring employees on the other, the management came to the conclusion that it would not be possible to continue with the LIC Scheme. It has been decided that gratuity be paid directly to employees as and when it becomes payable. During the current financial year Company has paid an amount of Rs. 17.47 lacs towards gratuity. The liability towards Employees due for retirement in next 3 years is Rs. 3.97 Lacs in normal course.

2. Soon after approval of Revival Plan for Aplab Display Devices & Systems Ltd. by State Bank of India, last year, a beginning was made by starting Trading activity. During the year under review, the Company has recorded turnover of Rs. 27.87 lacs. Company's operations resulted into a profit of Rs.2.31 lacs. The management is confident that the investment and advances to ADDS are good and fully recoverable. The increase in company's advances to ADDS is due to one time settlement of loan from State Bank of India. The settlement which Aplab made as a guarantor to its subsidiary has resulted in substantial saving to ADDS. Against the advances of Rs. 98.46 lacs, made to ADDS Aplab owes ADDS Rs. 17.34 lacs towards material supplied by them.
3. As regards accounting policy for modvat, the method followed by the company is in accordance with the view taken by Tax Authority. It is not practical and convenient for the company to follow the method recommended by Institute in view of very large type and number of components we require to be procured under single consignment.

FIXED DEPOSITS

During the year, the company accepted few fresh deposits and only renewed the deposits, due to marginal availability of limits. Fixed Deposits amounting to Rs. 4.23 lacs remained unclaimed as on 31st March, 2001 out of which deposits aggregating to Rs. 1.75 lacs have since been renewed and Rs. 1.19 lacs have been repaid, leaving a balance of Rs. 1.29 lacs as unclaimed.

DEMATERIALISATION OF SHARES

Your company has signed an agreement with National Securities Depository Limited (NSDL), Central Depository Services Ltd. (CDSL) and Intime Spectrum Registry Pvt. Ltd. for joining the Depository System, which facilitates scripless trading. Dealing in shares in electronic form eliminates loss, theft, mutilation, bad deliveries, forgeries, fake certificates besides reducing transactional cost to the investors. Presently, around 36% of the Company's share capital has been dematerialized. The Company's shares are placed under compulsory electronic trading list for all class of investors with effect from 24.7.2000.

APLAB LIMITED**DIRECTORS**

During the year Mr. Parag J. Rele has been appointed as Whole-time Director, designated as "Joint. Chief Executive Officer" (Jt. CEO) of the Company at the Board Meeting held on 30.10.2000 with effect from 1st November 2000 and subsequently at the Board Meeting held on 30.04.2001 he was designated as "Chief Executive Officer" (CEO) of the company with effect from 1st May, 2001. Suitable resolution in respect of the aforesaid appointment will be placed before the ensuing Annual General Meeting for approval of Members.

Mr. S.V. Joshi retired from the Board as Whole-time Director designated as "Jt. CEO & Sr. Vice President" with effect from 1st March, 2001, but continued as a Director on the Board from 1st March, 2001. Mr. B.N. Bhagwat resigned from the Board with effect from 31st July, 2000 and the Board appreciated him for valuable guidance and co-operation received during his tenure as a Director. Mr. Dev P. Naganand, Mr. Rajesh C. Jain and Mr. Sunil R. Khanna were appointed as Nominee Directors of Siticable Network Limited, a subsidiary of Zee Telefilms Limited at the Board Meeting held on 27th September, 2000.

In accordance with the Articles of Association of the Company, Mr. S.V. Joshi and Mr. D.P. Naganand are liable to retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As per companies amendment Act, 2000, under Section 217(2AA) of the Companies Act, 1956, your Directors' subscribe to the "Directors' Responsibility Statement" and confirm as under:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made 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 and of the profit and loss of the company for that period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors had prepared the annual accounts on a going concern basis.

LISTING OF SECURITIES

The Securities are listed on the stock exchanges at Mumbai, Delhi, Chennai, Pune & Ahmedabad.

AUDIT COMMITTEE

In compliance with provisions of Section 292A of the Companies Act, 1956, the Company has constituted an Audit Committee comprising of three Directors. The Directors constituting the Committee are Mr. S.V. Joshi, Mr. V.B. Shejwalkar and Mr. Rajesh Jain, Nominee Director of Siticable Network Limited.

CORPORATE GOVERNANCE

The requirement of compliance with code of Corporate Governance as per Clause 49 of the Listing Agreement will be made whenever applicable but not later than the financial year 2002-2003.

PERSONNEL

The relations with employees continued to be cordial through the year. The Board appreciates the willing co-operation and team spirit among the Management Cadre and other employees of the Company.

A statement showing particulars of employees pursuant to Section 217 (2A) of the Companies Act, 1956 is annexed hereto.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

A statement furnishing the information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto.

AUDITORS

The Auditors, M/s M.P.Chitale & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting. They have furnished a certificate confirming their eligibility for reappointment under Section 224 of the Companies Act, 1956 and have expressed their willingness to be re-appointed. You are requested to appoint the Auditors for the current year.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the valuable co-operation and support extended during the year by the Company's Bankers, Financial Institutions and various Government bodies.

Thane
July 30, 2001

For and on behalf of the Board of Directors

P.S. Deodhar
Chairman