

22

Report Junction.com

ANNUAL REPORT
2000-2001

artson

ARTSON ENGINEERING LTD.



ANNUAL GENERAL MEETING ON

Friday, 28th Sept., 2001 at 3.30 p.m. at
"ARTSON ENGINEERING LIMITED",
Plot No. D-5, MIDC Ambad, Nashik-422010.

As a measure of economy, copies of the Annual
Report will not be distributed at the Annual General
Meeting. Shareholders are requested to kindly bring
their copies to the Meeting.

BOARD OF DIRECTORS

P. S. CHOPDE	Chairman
C. V. KADVEKAR	Managing Director
R. S. MEDHI	Wholetime Director
V. CHANDRASHEKAR	Wholetime Director & Company Secretary
N. K. JAGASIA	Director
K. B. KAKATKAR	Director
J. S. PAL	Nominee Director

MANAGEMENT

P. S. CHOPDE	Chairman
C. V. KADVEKAR	Managing Director
R. S. MEDHI	Wholetime Director
V. CHANDRASHEKAR	Wholetime Director & Company Secretary
V. E. VAITHILINGAM	Vice-President

BANKERS

BANK OF INDIA
DENA BANK
ICICI BANK LTD.

AUDITORS

CHOKSHI & CHOKSHI
Chartered Accountants
MUMBAI 400 020

REGISTERED OFFICE

PLOT NO. D-5, MIDC AMBAD,
NASHIK 422 010

HEAD OFFICE

ARTSON HOUSE 16-17, MOTI BAUG,
CHEMBUR, MUMBAI-400 071

PLANT

PLOT NO. D-5, MIDC AMBAD,
NASHIK- 422 010

REGISTRARS

SHAREPRO SERVICES
SATAM INDL. ESTATE, 3RD FLOOR,
CARDINAL GRACIAS ROAD, CHAKALA,
ANDHERI (E), MUMBAI-400 099.

Contents

Board of Directors & Management	3
Notice	4
Directors' Report	8
Auditors' Report	11
Balance Sheet	14
Profit & Loss Account	15
Schedules	16
Notes On Accounts	22
Cash Flow Statement	28
Attendance Slip/Proxy Form	31

22ND ANNUAL REPORT 2000-01

Notice

NOTICE is hereby given that the TWENTY SECOND ANNUAL GENERAL MEETING of the Company will be held at Artson Engineering Limited, Plot No. D-5, MIDC Ambad, Nashik-422 010 on Friday, 28th September, 2001 at 3.30 p.m. to transact the following 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 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K.B. Kakatkar who retires by rotation and is eligible for reappointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification (as may be permissible) the following resolution as an Ordinary Resolution:

"RESOLVED that the Company hereby accords its approval and consent under Section 198, 269, 309, 310 and other applicable statutory provisions, if any, of the Companies Act, 1956, and all other applicable statutory provisions, if any, to the appointment of Mr. V. Chandrashekar as Wholtime Director of the Company and to his receiving remuneration, benefits and amenities for a period of five years with effect from 1st October, 2000, upon the terms, conditions and stipulations contained in an agreement to be entered into between the Company and Mr. V. Chandrashekar, a draft whereof is placed before the meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement, as may be agreed to between the Board of Directors and Mr. V. Chandrashekar provided, however, that the remuneration payable to Mr. V. Chandrashekar shall not exceed the maximum limits for payment of managerial remuneration in accordance with the laws, policies, rules, regulations or guidelines in force from time to time.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take all necessary and/or desirable steps for the aforesaid purpose and matters incidental thereto."

5. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provision of Section 31 and other applicable provisions of the Companies Act, 1956, if any, the following clause as Article 22A in the existing Articles of Association of the Company be and is hereby inserted."

22A DEMATERIALISATION OF SECURITIES :

- (1) For the purpose of this Article :

- a. **"Beneficial Owner"** means a person whose name is recorded as such with a depository.

- b. **"Bye-laws"** means bye-laws made by a depository under section 26 of the Depositories Act, 1996.
- c. **"Depositories Act"** means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.
- d. **"Depository"** means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
- e. **"Participant"** means a person registered as such under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
- f. **"Record"** includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations.
- g. **"Registered Owner"** means a depository whose name is entered as such in the register of the issuer.
- h. **"Regulations"** means the regulations made by the SEBI.
- i. **"SEBI"** means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
- j. **"Security"** means such security as may be specified by the SEBI.

Words imparting the singular number include the plural number and vice versa.

Words imparting persons include corporations.

Words and expressions used herein and not defined but defined in the Act or the Securities Contract (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992, shall have the meanings respectively assigned to them in those Acts.

- (2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing securities, dematerialize its securities held in the Depositories and/or offer its fresh securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (3) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. If a person opts to hold his security with Depository, the company shall intimate such Depository the details of allotment of the security,



Notice (Contd.)

and on receipt of the information the Depository shall enter in its records the name of the allottees as the Beneficial Owner of the security.

- (4) All securities held by Depository shall be dematerialized and be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Companies Act, 1956 (hereinafter referred to as the Act) shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.
- (5) (a) Notwithstanding anything to the contrary contained in any law for the time being in force, a Depository shall be deemed to be a registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.
- (6) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof.
- (7) Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye laws and the Company in that behalf.
- (8) Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.
- (9) If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.

The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulation, issue the certificate of securities to the Beneficial Owner of the transferee as the case may be.

- (10) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien of shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.
- (11) Notwithstanding anything contained to the contrary in the Act or these Articles, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or as provided in the bye-laws.
- (12) Where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
- (13) The Shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in materialized form shall continue to bear the number by which the same was originally distinguished.
- (14) The Company shall cause to keep a Register and Index of Members in accordance with Section 151 of the Act and the Depositories Act, with details of shares held in material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The Register of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, shall be deemed to be Register and index of Members for the purpose of the Act.

By Order of the Board

V. CHANDRASHEKAR
Wholtime Director
& Company Secretary

Mumbai, 23rd August, 2001

Registered Office :
Plot No. D-5,
MIDC Ambad,
Nashik - 422 010.

22ND ANNUAL REPORT 2000-01

Notice (Contd.)

Notes :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (b) The Register of Members and Share Transfer Books of the Company will be closed from 16th September, 2001 to 28th September, 2001 (both days inclusive).
- (c) Members are requested to intimate immediately any change in their address to M/s. Sharepro Services, Satam Industrial Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracias Road, Chakala, Andheri (E), Mumbai - 400 099.
- (d) Members holding shares under more than one folio are requested to send to the Registrar and Transfer Agents details of such folios alongwith the share certificates for consolidating the folios.
- (e) The Unpaid Dividend that is due for transfer to the Central Government is as follows :
- | Financial Year | Date of Declaration | Due for transfer on |
|----------------|---------------------|---------------------|
| 1995-96 | 23.09.96 | 9.11.2003 |
- (f) Members seeking any information with regard to Accounts, etc. are requested to write to the Company at an early date so as to enable the management to keep the information ready.
- (g) Members who have not encashed their dividend warrants for the aforesaid financial year are requested to approach the Company's Share Transfer Agents for obtaining duplicate dividend warrants.

By Order of the Board

V. CHANDRASHEKAR
*Wholtime Director
 & Company Secretary*

Mumbai, 23rd August, 2001

Registered Office :

Plot No. D-5,
 MIDC Ambad,
 Nashik - 422 010.

Annexure to the Notice

Explanatory Statements as required by Section 173 of the Companies Act, 1956 are annexed hereto :

ITEM 4

The Board of Directors of the Company at their Meeting held on 28th September, 2000 have appointed Mr. V. Chandrashekar as Wholtime Director subject to the approval of the members, on the following terms and conditions :

PERIOD

For a period of five years w.e.f. 1st October, 2000

REMUNERATION

SALARY : Rs. 29,000/- p.m. with an annual increment of Rs. 4,000/- on 1st April every year.

PERQUISITES & ALLOWANCES

- (a) In addition to the salary payable, the appointee shall be entitled to perquisites and allowances like house rent allowance or accommodation (furnished or not); reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs; medical reimbursement; leave travel concession for self and family; club fees; medical insurance and other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the appointee.
- (b) For the purpose of calculating the above ceiling on perquisites, provision of car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee.
- (c) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity shall be payable as per rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

The terms and conditions of the said appointment and/or agreement may be varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amounts permissible to managing and wholtime directors as per Schedule XIII of the Companies Act, 1956 or any amendments made hereafter in this regard.

In terms of the provisions of the Companies Act, 1956 this appointment is required to be confirmed by the members. Mr. V. Chandrashekar may be said to be interested in the resolution pertaining to his appointment. The Board commends the passing of the resolution. None of the other Directors are interested in the resolution.



Annexure to the Notice (Contd.)

ITEM 5

The Securities and Exchange Board of India (SEBI) has decided to put securities of your company under Compulsory Dematerialisation i.e. to be traded in electronic form only.

In view of this and as required under the provisions of the Companies Act, 1956, the Articles of Association of the Company is required to be amended suitably so as to provide the required clauses for Dematerialisation of Securities of your Company.

None of the Directors of the Company are concerned or interested in the said resolution.

By Order of the Board

V. CHANDRASHEKAR
Wholetime Director
& Company Secretary

Mumbai, 23rd August, 2001

Registered Office:
Plot No. D-5,
MIDC Ambad,
Nashik - 422 010.

Details of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	MR. KIRAN B. KAKATKAR	MR. V. CHANDRASHEKAR
Date of Birth	5th July, 1945	1 st September, 1959
Date of Appointment	18th September, 1978	1 st October, 2000
Expertise in specific functional areas	Mr. Kakatkar has over 30 years of Techno-Commercial experience in Textiles, Chemicals and Construction fields. He was working with Standard Alkali before promoting this company	Mr. V. Chandrashekar is a Member of Institute of Company Secretaries of India. He has considerable exposure in Secretarial, Legal and Financial areas.
Qualifications	B.E. (Civil) M.M.S. (Operations Research)	B.Sc. Diploma in Management Studies. LLB. Member of Institute of Company Secretaries of India.
Directorships held in other companies (excluding foreign companies)	Pam Systems Limited (Director & CEO) Kerraun Systems Limited (Director)	NIL
Committee positions held in other companies	NIL	NIL

22ND ANNUAL REPORT 2000-01

Directors' Report

To the Members,

The Directors hereby present their Twenty Second Annual Report on the business and operations of your Company and statements of accounts for the year ended 31st March, 2001.

1. SUMMARISED FINANCIAL RESULTS

The financial results are briefly indicated below :

	For the year ended 31st March 2001 Rs. in Lacs	For the year ended 31st March 2000 Rs. in Lacs
Profit / (Loss) before Depreciation	(316.41)	248.51
Less : Depreciation	126.23	145.51
Profit / (Loss) before Taxation	(442.64)	103.00
Less : Provision for Taxation	—	48.00
Net Profit / (Loss)	(442.64)	55.00
Surplus brought forward from previous year	332.51	296.89
Other Adjustments	(81.35)	(19.38)
Profit available for disposal	(191.48)	332.51
Appropriations :		
Proposed Dividend	—	—
General Reserve	200.00	—
Balance carried forward to Profit & Loss Account	8.51	332.51

2. REVIEW OF OPERATIONS

In the last two years not many projects in Oil & Gas Sector or in Power Sector wherein your Company's predominance lies, came up for execution. Due to the general economic slow down, investments in other sectors also did not take place. As a result, enquiry levels for composite works or electro-mechanical works were very less. Under such circumstances the price levels go down due to intense competition. Therefore, the order booking in the year under review has been low. The situation has been compounded by the continued hold on Essar Jamnagar Refinery project.

3. THE FUTURE SCENARIO

Investments in Oil & Gas Sector has started looking up. Your Company has received an order for Design, Engineering, Procurement, Fabrication, Construction of Foundations for Tanks, Tank Pads, Erection, Testing, Painting, Insulation, Cone, Cone Cum Floating Roof and Floating Roof Tanks for CPCL Refinery-III Expansion Project of M/s. Chennai Petroleum Corporation Limited, Manali, Chennai - Part A of value of Rs. 14.65 crores. Your Company is also well placed on three other orders with Oil & Natural Gas Commission, Hindustan Petroleum Corporation Limited and Paradeep Port Trust. Work on few power projects like Neyveli Lignite Power Project, Pragati Power Project and North Madras - PH II is expected to start. Since some of these projects are being executed as big Engineering, Procurement & Construction (EPC) packages, your Company is closely working with construction majors like Daelim, Mitsubishi, Alstom, Technimont, Samsung, etc.

4. DIRECTORS

Mr. N.K. Jagasia and Mr. K.B. Kakatkar have resigned from the wholetime employment of the company, which was approved by the Board on 29th November, 2000. However, they continue to remain on the Board of the Company as Directors. The Board wishes to place on record its appreciation of the valuable services rendered by Mr. Jagasia and Mr. Kakatkar during their tenure as Wholetime Directors of the Company and looks forward to continued association with them as Directors on the Board.

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Mr. K.B. Kakatkar retires by rotation and is eligible for re-appointment.



Directors' Report — (Contd.)

5. AUDITORS

The observations of Auditors are explained, where necessary, in appropriate notes on accounts. The shareholders are requested to appoint the Auditors and fix their remuneration. M/s. Chokshi & Chokshi, retiring Auditors, have informed the company that they are eligible for re-appointment.

6. AUDIT COMMITTEE

In accordance with the provisions of Section 292A of the Companies Act, 1956, your Company has constituted an Audit Committee comprising of Mr. V. Chandrashekar — Wholtime Director and Mr. K.B. Kakatkar and Mr. N.K. Jagasia — Directors of the Company.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956, the required information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed to the Directors' Report.

8. DEMATERIALISATION (DEMAT) OF EQUITY SHARES

Securities and Exchange Board of India (SEBI) has made compulsory delivery of shares of your Company in the dematerialised form for all investors with effect from 2nd April 2001. In view of the same, the Company has executed necessary agreements with Central Depository Services Limited (CDSL). Accordingly, the Company has been allotted ISIN activation no. INE133D01015 by CDSL. The shareholders have the option/discretion of holding their dematerialised shares in the Company through CDSL.

9. Y2K STATUS

All internal systems, procedures and operations of the Company which were made Y2K compliant are performing normally.

10. CORPORATE GOVERNANCE

The Stock Exchange has amended the Listing Agreement by incorporating a new clause 49 covering Corporate Governance, which is an important instrument of investor protection. As per the amendment, the Company is required to comply with the requirements on or before 31st March, 2002. However, the Company has commenced the process of implementation of the required provisions of Corporate Governance as well as the provisions of the Companies (Amendment) Act, 2000.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, the Directors state 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 estimate 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 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 this 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.

12. PARTICULARS OF EMPLOYEES

As required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 1975, as amended, particulars of the Company's employees are set out in a separate statement attached hereto which forms part of the report.

13. ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the employees of Artson, who continue to stand by your Company. Bank of India, Dena Bank, ICICI Bank Limited and SICOM Limited need special mention for their unfettered support to your Company. Your Directors look forward to a stronger association with these institutions.

For and on behalf of the Board

P.S. CHOPDE
Chairman

Mumbai, 23rd August, 2001

Registered Office :
Plot No. D-5,
MIDC Ambad,
Nashik - 422 010.

22ND ANNUAL REPORT 2000-01

Annexure to Directors' Report

Statement pursuant to Section 217 (1) (e) of the Companies Act, 1956.

(B) TECHNOLOGY ABSORPTION

FORM B

(A) CONSERVATION OF ENERGY

- (a) Energy conservation measures taken :
NIL
- (b) Additional investments and proposals, if any, being implemented for reduction in consumption of energy :
None
- (c) Impact of the measures at (a) and (b) above for energy consumption and consequent impact on the cost of production of goods :
N.A.
- (d) Total energy consumption and consumption of energy per unit of production :

FORM A

PARTICULARS	2000-2001	1999-2000
A. POWER AND FUEL CONSUMPTION		
1. Electricity		
(a) Purchased		
Units (KWH)	1,48,596	1,99,259
Total amount (Rs. in lacs)	8.42	10.40
Rate per unit (Rs.)	5.66	5.22
(b) Own Generation	NIL	NIL
B. CONSUMPTION PER UNIT OF PRODUCTION (Standards, if any)*		
(i) Electricity	N.A.	N.A.
(ii) Furnace Oil	N.A.	N.A.
(iii) Coal	N.A.	N.A.
(iv) Others	N.A.	N.A.

* The Company does not have utilised product.

Research & Development (R&D)

- Specific areas in which R & D was carried out by the Company: NIL
- Benefits derived as a result of the above R & D: N.A.
- Future plan of action: Being formulated.
- Expenditure on R & D :

	2000-2001 (Rs. in Lacs)	1999-2000 (Rs. in Lacs)
(a) Capital	NIL	NIL
(b) Recurring	NIL	NIL
(c) Total	NIL	NIL
(d) Total R & D expenditure as % of total turnover	NIL	NIL

Technology Absorption, Adaptation and Innovation

- Efforts in brief made towards technology absorption, adaptation and improvements. None
- Benefits derived as a result of the above efforts. N.A.
- Import of Technology None

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

	2000-2001 (Rs. in Lacs)	1999-2000 (Rs. in Lacs)
(i) Foreign Exchange earned	419.68	211.62
(ii) Foreign Exchange used	8.32	9.09

For and on behalf of the Board

P.S. CHOPDE
ChairmanMumbai, 23rd August, 2001Registered Office:
Plot No. D-5, MIDC Ambad,
Nashik - 422 010.

Particulars of Employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956.

Sr. No.	Name of Employee	Age	Present Designation/ Nature of duties	Qualification & Experience	Date of Appointment	Total Remuneration Paid (Rs.)	Particulars of last employment
Employed throughout the financial year under review and was in receipt of remuneration in aggregate of not less than Rs. 12,00,000/- p.a. - NIL							
Employed for a part of the financial year and was in receipt of remuneration in aggregate of not less than Rs. 1,00,000/- p.m.							
1.	Mr. N.K. Jagasia	59	Director	B.E. (Mech) 36 years	18.09.78	12,90,430	Manager, Alkan Engg. (I) P. Ltd.
2.	Mr. K.B. Kakatkar	56	Director	B.E. (Civil), MMS 30 years	18.09.78	12,53,660	Dy. Com. Manager, Standard Alkali Div., Standards Mills Co. Ltd.

- Remuneration includes Salary, House Rent Allowance, Reimbursement of Medical expenses, L.T.A., Company's contribution to Provident Fund, Gratuity, Leave encashment and expenditure incurred by the Company in respect of perquisites to Directors.
- In addition to the above, these employees are also covered under "Personal Accident Insurance" Policy.
- The nature of employment in all cases is contractual subject to rules and conditions of the Company and terminable by appropriate notice.
- No Director is related to any other Director
 - None of the above employees is related to any Director of the Company.

For and on Behalf of the Board
P.S. CHOPDE
ChairmanMumbai, 23rd August, 2001Registered Office:
Plot No. D-5, MIDC AMBAD, NASHIK 422 010.