

Annual Report 2001-2002



ATV PROJECTS INDIA LIMITED



BOARD OF DIRECTORS

Mr. M.V. Chaturvedi *Chairman*

Mr. E.C.P. Prabhakar, I.A.S. (Retd.)

Dr. V.K. Saxena, Ph.D., I.A.S. (Retd.)

Mr. S.P. Banerjee

Mr. S.N. Kaul

Mr. K.V. George *Nominee Director - IDBI*

Mr. Manoj Kumar Chanduka *Nominee Director - IFCI Ltd.*

Mr. V. Narayan *Wholetime Director*

AUDITORS

N. S. Bhatt & Co.
Chartered Accountants,
Mumbai.

BANKERS

Central Bank of India
Bank of India
State Bank of India
State Bank of Travancore
Punjab National Bank

REGISTERED OFFICE

D-8, MIDC, Street No.16, Marol,
Andheri (East), Mumbai-400 093.

WORKS

- I. Delhi - Agra Bypass, Post Krishnanagar,
Mathura - 281 001.
- II. D-8, MIDC, Street No.16, Marol,
Andheri (East), Mumbai-400 093.
- III. Nagothane, Dist. Raigad, Maharashtra.

SALES OFFICES

- I. 409/410 Chiranjiv Towers, Nehru Place,
New Delhi - 110 019.
- II. 204, Gera Chambers, Off Boat Club Road,
Pune - 411 001.

INVESTORS SERVICES DEPT.

D-8, MIDC, Street No.16, Marol,
Andheri (East), Mumbai - 400 093.

NOTICE

Notice is hereby given that the fifteenth Annual General Meeting of the Members of ATV PROJECTS INDIA LIMITED will be held on Thursday, 26th September, 2002 at 11.00 a.m. at Tejpal Auditorium, August Kranti Marg, Gowalia Tank, Mumbai 400 007 to transact the following business :-

1. To receive, consider and adopt the Audited Profit & Loss Account for the period ended 31st March 2002 and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. V. Narayan who retires by rotation and, being eligible, offers himself for re-election.
3. To appoint a Director in place of Mr. S.P. Banerjee who retires by rotation and, being eligible, offers himself for re-election.
4. To appoint Auditors to hold office from the conclusion of the Fifteenth Annual General Meeting till the conclusion of the Sixteenth Annual General Meeting and to fix their remuneration.

By order of the Board of Directors

Place : Mumbai
Dated : 29th June, 2002

Y.L. Sindhwad
Company Secretary

Registered Office :
D-8, M.I.D.C., Street No. 16,
Marol, Andheri (East),
Mumbai - 400 093.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company, will remain closed from Monday, 16th September, 2002 to Saturday, 28th September, 2002 both days inclusive.
3. Members are requested to intimate their queries/requirements for clarification on the Annual Report so as to reach the Company on or before 20th

September 2002, which will enable the Company to furnish the replies at the Annual General Meeting.

4. Members are requested to bring their copy of the Annual Report along with them to the Meeting as copies of the Annual Report will not be distributed at the Meeting.
5. Members are requested to produce the Attendance slip at the entrance of the venue.
6. Re-appointment Of Directors :

Pursuant to clause 49 of the Listing Agreements with the stock exchange, following information is furnished about the Directors proposed to be re-appointed :

- (a) Mr. V. Narayan, is an Independent Wholetime Director with a Bachelor of Arts Degree in Mathematics having stood first class first and Master of Arts Degree in Statistics from the University of Bombay. He is a member of Bombay Management Association and Indian Institution of Industrial Engineering and later president, Bombay Chapter. He has over 50 years of Industrial experiences in managerial capacity including of Director/consultant / Advisor in reputed manufacturing industries of engineering, chemical, pharmaceutical, and sugar.

He is a Director on the shareholders' grievances & share transfer committee of Board.

- (b) Mr. S. P. Banerjee, an Independent Director, is Master of Business Administration, Post Graduate Diploma in Industrial Management, M.I.E. (India), Chartered Engineer. He has over 36 years valuable experiences in engineering manufacturing industries (6 Years) in senior supervisory positions and 29 years in Industrial Finance Corporation of India till 1994 in managerial positions of which last 10 years as Executive Director/Whole time Director.

He is a Chairman of Audit sub-committee of Board.

He is also an Independent Director in M/s Landmark Leisure Corporation Ltd. & M/s Indus Enertech Ltd.

By order of the Board of Directors

Place : Mumbai
Dated : 29th June, 2002

Y.L. Sindhwad
Company Secretary

Registered Office :
D-8, M.I.D.C. Street No.16,
Marol, Andheri (East),
Mumbai - 400 093.

DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Fifteenth Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2002.

CORPORATE RESULTS

	For the Year ended 31.03.2002 (Rs. in lacs)	For the Year ended 31.03.2001 (Rs. in lacs)
Income	<u>3,845.01</u>	<u>4,953.15</u>
Gross Loss	132.88	685.63
Add : Interest	<u>1,520.53</u>	<u>1,523.69</u>
Cash Loss	1,653.41	2,209.32
Add : Depreciation	<u>474.71</u>	<u>550.70</u>
Net Loss	2,128.12	2,760.02
Add : Loss brought forward from previous year	26,944.35	24,184.33
Total Loss carried to Balance Sheet	<u>29,072.47</u>	<u>26,944.35</u>

OPERATIONS

As in the earlier years, due to liquidity problems and non availability of bank guarantees the working of your Company continues to be affected during the year under review as well. However due to cost reduction measures initiated by your Company during the year, it could reduce the losses marginally as compared to last year.

The Engineering Division at Mathura operated intermittently and during the year Jamner sugar project was in progress, along with other projects of LPG Bullets at Belgaum, Budge Budge at completion stage.

The Company has been trying to get business where the bank guarantees are not required and is also trying to get sub contracts.

TPE plant at Nagothane remained closed throughout the year, however sufficient care was taken by the company

to ensure that it can be restarted without much loss of time, once the required finance is available. You will be happy to know that in view of Ministry of Surface Transport (Most) guidelines the demand for TPE is developing very fast due to construction of National Highways/Roads where to the extent of 10% Polymer Modified Bitumen (PMB) (SBS) will be used. As three companies have already started manufacturing of PMB (SBS) with HPCL, which in turn will increase the demand of TPE.

The Company has requested (MOST) to increase the use of PMB (SBS) from 10% to 25% because of its superiority amongst the other similar type of products and if this is considered then the demand of PMB (SBS) will increase substantially, which will increase the TPE demand.

The company continues to reduce its labour force at Mathura and also the staff by amicable settlement with them, however ensuring that all essential posts are adequately manned.

During the year the Operating Agency (OA) has called the OLM meeting to discuss the Rehabilitation package and it was decided for One Time Settlement (OTS) scheme. The Company submitted the OTS proposal to (OA) and who informed the Company to have a valuation of the plants to arrive at a realisable value, in order, to have comparison with the OTS proposal given by the Company. IDBI in turn has appointed an agency to do the valuation of the assets. The valuation of the assets was completed and its report was submitted to the (OA) in March, 2002. There after (OA) has informed Company for a second valuation by another valuer and accordingly they have appointed the second valuer and after their receiving the report, OTS proposal will be discussed further, as our matter is pending with BIFR for hearing on 9th July, 2002 in this regard.

DIRECTORS

The Industrial Finance Corporation of India have, in terms of their Loan Agreement with the Company, nominated Mr. Manoj Kumar Chanduka in place of Mr. T. Ramesh Babu, as their Nominee on the Board of your Company.

Mr. H.C. Chopra has resigned as a Director of the Company. The Board records its appreciation of the valuable services rendered by Mr. H.C. Chopra and Mr. T. Ramesh Babu (IFCI Nominee) during his association with the Company.

As required by the provisions of Section 256 of the



Companies Act, 1956, Mr. V. Narayan and Mr. S.P. Banerjee retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to the Provisions of Section 217(2AA) of the Companies Act, 1956, your Directors wish to place on record -

- i) that in preparing the Annual Accounts, all applicable accounting standards have been followed.
- ii) that the accounting policies adopted are consistently followed and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the Financial Year and of the Profit and Loss Account of the Company for the Financial Year, under review.
- iii) that the Directors have 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 / detecting fraud and other irregularities.
- iv) that the Annual Accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A separate Report on Corporate Governance is attached as a part of the Annual Report.

EMPLOYEE RELATIONS

Your Directors wish to sincerely thank all the employees and officers for the cordial relations and valuable services which continued to be rendered by them to the Company.

TECHNOLOGY, RESEARCH & DEVELOPMENT, ETC.

As the TPE plant at Nagothane has been idle for last two years on account of non-availability of Working Capital, the details about power, fuel expenses etc., in respect of the plant have not been given. The Company continues to economise in every sphere including that of power and fuel by avoiding all wasteful expenditure and cutting costs.

No R & D is being carried on at present and the imported technology has been fully absorbed. When Company will put up final pilot plant which will reduce batch timing and cost of production.

The work is presently stopped on account of the losses suffered by the Company and will be resumed as early as possible.

The details about foreign exchange earnings and outgo are given in the Notes to Accounts.

DEMATERIALISATION OF SHARES

Effective 25th September, 2000, the equity shares of your Company have been compulsorily traded in dematerialization form. As on 15th June, 2002, a total of 93 lacs shares representing 17.61% of the Equity Share Capital have been dematerialized and over 15,699 Shareholders are holding share in the dematerialized form.

PARTICULARS OF EMPLOYEES

There are no employees coming within the purview of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

AUDITORS

M/s. N.S. Bhatt & Co., Chartered Accountants, Auditors of the Company will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

The comments by the Auditors in their Report are self-explanatory and, in the opinion of the Board, do not require any further clarifications.

ACKNOWLEDGMENT

Your Directors gratefully acknowledge the continuing faith and support extended by the Creditors and Shareholders and others who have supported the Company during its difficult time and hope to receive their continued support.

For and on behalf of the Board

Place : Mumbai
Dated : 29th June, 2002

M.V. CHATURVEDI
Chairman