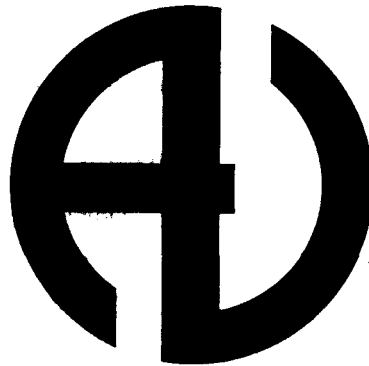


Annual Report 2002-2003

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ATV PROJECTS INDIA LIMITED



BOARD OF DIRECTORS

Mr. M.V. Chaturvedi	<i>Chairman</i>
Mr. E.C.P. Prabhakar	<i>I.A.S. (Retd.) (Upto 31-7-03)</i>
Dr. V.K. Saxena	<i>Ph.D., I.A.S. (Retd.)</i>
Mr. S.P. Banerjee	
Mr. S.N. Kaul	
Mr. K.V. George	<i>Nominee Director - IDBI</i>
Mr. Manoj Kumar Chanduka	<i>Nominee Director - IFCI Ltd.</i>
Mr. V. Narayan	<i>Wholetime Director</i>

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.**

INVESTORS SERVICES DEPT.

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



NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of ATV PROJECTS INDIA LIMITED will be held on Friday, 26th September, 2003 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, 2003 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. S. N. Kaul who retires by rotation and, being eligible, offers himself for re-election.
3. To appoint a Director in place of Mr. V. K. Saxena who retires by rotation and, being eligible, offers himself for re-election.
4. To appoint Auditors to hold office from the conclusion of the Sixteenth Annual General Meeting till the conclusion of the Seventeenth 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 a SPECIAL RESOLUTION :-

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956 and the laws in force from time to time and / or guidelines for Managerial Remuneration issued by the Central Government from time to time, the consent of the Company be and is hereby accorded to the appointment of and payment of Remuneration to Mr. V. Narayan and to holding and continuing to hold a office or place of profit under the Company as a Director in Whole-time employment of the Company for a period of one year with effect from 1st February 2003 upon and subject to the terms and conditions contained in an agreement entered into between the Company and Mr. V. Narayan, a copy whereof is placed before the meeting and initialled by the Chairman for the purpose of identification.

Resolved Further that the Board of Directors be and is hereby authorised to vary the terms and conditions of the appointment including remuneration of Mr. V. Narayan, in such manner as the Board of Directors may in exercise of its absolute discretion consider appropriate, provided however, that the terms of such appointment and / or remuneration are in conformity with the guidelines for Managerial Remuneration issued by the Central Government and to the limits set in Schedule - XIII to the Companies Act, 1956 and / or any amendments thereto as may be made from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term of office of Mr. V. Narayan as a Wholtime Director, the aforesaid salary and all other remuneration, benefits and amenities as set out in the aforesaid Agreement be paid to Mr. V. Narayan as minimum remuneration, notwithstanding that the same shall be in excess of the percentage limitations laid down in Section 309 (3) and Section 198 (1) of the Companies Act, 1956.

RESOLVED FUTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this Resolution".

By order of the Board of Directors

Place : Mumbai
Dated : 30th July, 2003

Y.L. Sindhwa
Company Secretary

Registered Office :

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

NOTES

1. A Statement of Material Facts in respect of the Special Business under Item No. 5 is annexed hereto.
2. 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 THAT 48 HOURS BEFORE THE MEETING.
3. All documents referred to in the above notice and the accompanying statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays & Holidays) between 10.30 a.m. and 12.30 p.m. upto the date of Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company, will remain closed from Tuesday, 16th September, 2003 to Monday, 29th September, 2003 both days inclusive.
5. 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 2003, which will enable the Company to furnish the replies at the Annual General Meeting.
6. 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.
7. Members are requested to produce the Attendance slip at the entrance of the venue.
8. 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. S.N. Kaul, is an Independent Director & he is a Chartered Engineer and was the Company's Technical Director having more then 40 years experience in the sugar Industry.
He is a Chairman on the shareholders grievances & share tranfer Committee of Board.
(b) Mr. V.K. Saxena is an Independent Director and he is a post graduate (M.A with Economics) & has done Ph.D. on the subject of Oil Economy of India. He Joined the I.A.S & has served the U.P. Govt for 33 years and retired as a Chief Secretary in 1993. Since then he has worked as an Advisor to Assocham of It's U.P. Chapter.

**ANNEXURE TO NOTICE**

Statement of Material Facts pursuant to Section 173 (2) of the Companies Act, 1956 annexed to the Notice dated 30th July 2003.

Item no. 5

By a resolution passed on 30th January 2003, the Board has appointed Mr. V. Narayan as a Wholetime Director of the Company, subject to the approval of the Members in General Meeting, for a period of one year with effect from 1st February 2003. He has served the Company previously in various positions including that as a Wholetime Director. Mr. V. Narayan, born on 18th September, 1929, is a Post Graduate (M.A with Statistics). He has served various organisations holding high posts. The Board considers that in view of his knowledge and experience, the appointment of Mr. V. Narayan is in the best interest of the Company.

The essential terms and conditions of Mr. V. Narayan's appointment, as stated in the Agreement entered into by the Company with Mr. V. Narayan, are as under:-

- i) Mr. V. Narayan will carry out such functions, exercise such powers and carry out such duties as may be entrusted to him from time to time.
- ii) Period of Agreement : One year with effect from 1st February, 2003.
- iii) Remuneration : The remuneration payable to the Wholetime Director will be determined by the Board of Directors of the Company in the exercise of its absolute discretion within the overall limits prescribed under Sections 198, 309 and Schedule XIII of the Companies Act, 1956.
 - a) **Salary : R. 15,000/- per month.**
 - b) **Perquisites:-**
 - i) **Medical Benefits :**
Reimbursement of Medical expenses incurred in accordance with the rules of the Company for the time being in force and from time to time.
 - ii) **Conveyance :**
The Company will provide one Motor car for use of the Wholetime Director on Company's business, with full maintenance charges in respect thereof, such as garage rent, fuel, repairs and maintenance etc. In case the Wholetime Director employs his personal driver, then the Company will reimburse the salary / wages of the driver borne by the Wholetime Director. Use of the Company car for private purpose shall be billed by the Company to the Wholetime Director.
 - iii) **Telephone :**
Free Telephone facility at residence, provided that the cost of personal long distance calls shall be reimbursed by the Wholetime Director.

iv) Entertainment Expenses :

Reimbursement of entertainment expenses actually and properly incurred by the Wholetime Director in the course of legitimate business of the Company.

The remuneration aforesaid including the benefits and amenities mentioned above will be paid and allowed as minimum remuneration for any year in the event of loss or inadequacy of profits.

OTHER TERMS :-

- i) The terms and conditions of the appointment and / or remuneration may be varied or increased from time to time in such a manner as the Board of Directors in the exercise of its absolute discretion considers appropriate provided however, that the terms of such appointment and / or remuneration are subject to the limits set out in Schedule XIII of the Companies Act, 1956 or any amendments thereto as may be made from time to time.
- ii) The Agreement is terminable on three month's notice on either side.
- iii) The Wholetime Director shall not directly or indirectly engage himself in any other business or occupation or employment whatsoever.
- iv) The Wholetime Director shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall not also become interested or otherwise concerned directly or through his wife and / or minor children in any selling agency of the Company, without the prior approval of the Central Government.
- v) If and when the Wholetime Director is required to entertain for the purpose of the Company's business, the Company shall reimburse all actual expenses incurred by him for such entertainment.
- vi) The Wholetime Director shall be entitled to all leave benefits as are applicable under the Company's rules to the Executive Director and in force from time to time.
- viii) The Wholetime Director shall observe the secrecy obligation in regard to the business affairs of the Company.
In compliance with the provisions of Schedule XIII of the Companies Act, 1956, the aforesaid appointment and remuneration payable to the Wholetime Director is being placed before the Members in the General Meeting. The Board of Directors recommends the same for your approval.
Save and except Mr. V. Narayan, no other Director of the Company is in anyway concerned or interested in this item of business.

By order of the Board of Directors

Place : Mumbai
Dated : 30th July, 2003

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

Y.L. Sindhwad
Company Secretary



DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Sixteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2003.

CORPORATE RESULTS :

	For the Year ended 31.03.2003 (Rs. in lacs)	For the Year ended 31.03.2002 (Rs. in lacs)
Income	<u>1,737.25</u>	<u>3,845.01</u>
Gross Loss	63.64	132.88
Add : Interest	<u>1,518.76</u>	<u>1,520.53</u>
Cash Loss	1,582.40	1,653.41
Add : Depreciation	<u>409.56</u>	<u>474.71</u>
Net Loss	1,991.96	2,128.12
Add : Loss brought forward from previous year	29,072.47	26,944.35
Total Loss carried to Balance Sheet	<u>31,064.43</u>	<u>29,072.47</u>

OPERATIONS

As you are aware that the due to non availability of Working Capital Finance the TPE Plant of the Company remained closed through out the year. The Engineering Division at Mathura operated Intermittently for executing the Jamner-Sugar Plant order, but the progress of the same is also slow due to non availability of Funds both, at our end and also with our Jamner -Sugar factory Managment.

In Engineering Division there are no orders on hand due to non availability of Bank Guarantee. However, the Company is trying to get some sub-contract work from the main contractors.

As regards TPE Plant, sufficient care was taken to ensure that the plant is maintained to prevent deterioration due to non use. We are in the process of carrying out verification and assessment about the health of plant and machinery from a reputed & competent firm of consultants

of Govt. of India. For your information the demand of Styren-Butadine-Styren (SBS) is increasing by 30% in polymer modified bitumen. In the circumstances, once our plant is restarted there would be no problem in marketing the entire rated capacity produced.

The Company continues with its efforts of minimising its labour & staff force at Mathura, by arriving at amicable settlement, at the same time it is being ensured that all essential posts, are adequately manned.

During the year Delhi High Court passed the order directing BIFR to hear our matter once again, however, BIFR passed the Order allowing some of the secured creditors to continue with their suit and not to execute any award or decree if obtained, without the specific prior permission of BIFR.

Against the aforesaid order of BIFR, we have preferred an appeal before the Hon'ble AAIFR and the said matter is pending with them for final hearing and disposal.

IDBI has served the notice to the Company in the month of June, 2003 under the Securitisation Act to which Company has replied suitably in the matter, however the Company has also given and submitted its fresh OTS proposal to IDBI (O.A) for the revival of the Company and also the settlement of its dues. We have projected the viability of our plants & if accepted, we are confident that your Company will be on the path of revival very soon.

DIRECTORS

Mr. E.C.P. Prabhakar, Director of your company has resigned w.e.f. 31/7/03 and the Board records its deep appreciation of the valuable services rendered by him during his association with the Company.

As required by the provisions of Section 256 of the Companies Act, 1956, Mr. S.N. Kaul and Mr. V.K. Saxena 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-