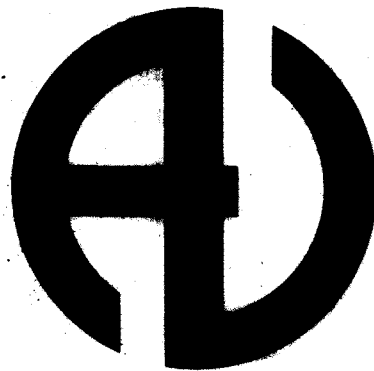


Annual Report 2004-2005

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ATV PROJECTS INDIA LIMITED



BOARD OF DIRECTORS

Mr. M.V. Chaturvedi

Chairman

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

Mr. S.P. Banerjee

Mr. S.N. Kaul

Mr. V. Narayan

Wholetime Director

AUDITORS

N. S. Bhatt & Co.

Chartered Accountants,
Mumbai.

COMPANY SECRETARY

P. Rajesh Kumar

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 Eighteenth Annual General Meeting of the Members of ATV PROJECTS INDIA LIMITED will be held on Tuesday the 27th September, 2005 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, 2005 and the Balance Sheet as on that date, the Report of the Director's and the Auditor's thereon.
- 2) To appoint a Director in place of Mr. S. P Banerjee who retires by rotation and, being eligible, offers himself for re-election.
- 3) To appoint Auditors to hold office from the conclusion of the Eighteenth Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following resolutions, 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 for a period of one year with effect from 1st February 2005 upon and subject to 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 initiated 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 Whole time Director, the aforesaid salary will 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 (1) of the Companies Act, 1956.

RESOLVED FURTHER 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, 2005

P Rajesh Kumar
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. 4 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND VOTE AND IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY SO APPOINTED NEED NOT BE 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.
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 Friday, 23rd September 2005 to Tuesday, 27th September 2005 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 18th September 2005, 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. 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 Mumbai. He is a member of Mumbai Management Association and Indian Institution of Industrial Engineering and later president, Mumbai Chapter. He has over 50 years of experience as in managerial capacity including that of Director/consultant/ Advisor in reputed manufacturing industries of engineering, chemical, pharmaceutical, and sugar.
He is a Member 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 and 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 a Director in MSP ASSOCIATES.

ANNEXURE TO NOTICE

Statement of Material Facts pursuant to Section 173(2) of the Companies Act, 1956 annexed to the Notice dated 30th July 2005.

Item no. 4

By a resolution passed on 24th January, 2005, 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 2005. He has served the Company previously in various positions including that as a Wholetime Director. The Board considers that in view of his knowledge & 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 2005.
- 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. 25,000/- per month.

The remuneration 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 time to time.
- vii) 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, 2005

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

P Rajesh Kumar
Company Secretary



DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Eighteenth Annual Report together with the Audited Statement of Accounts for the period ended 31st March, 2005.

CORPORATE RESULTS :

	For the Nine Months ended 31.03.2005 (Rs. in lacs)	For the 15th Months ended 30.06.2004 (Rs. in lacs)
Income	<u>809.93</u>	<u>1,247.31</u>
Cash Loss	15.30	406.63
Add : Interest	<u>1,139.07</u>	<u>1,898.54</u>
Net Loss	1,154.37	2,305.17
Add : Depreciation	<u>221.90</u>	<u>429.87</u>
Gross Loss	1,376.27	2,735.04
Extra ordinary items	383.67	1,283.00
Add: Loss carried from previous year	35,082.47	31,064.43
Total Loss carried to Balance Sheet	<u>36,842.41</u>	<u>35,082.47</u>

OPERATIONS

As you are aware due to non-availability of Working Capital Finance the TPE Plant of the Company remained closed throughout the year. The Engineering Division at Mathura operated intermittently for executing the conversion jobs for Power Plant, Boiler, Heat Exchanger and other works for allied Industries. Jamner-Sugar Plant project is under hold due to non availability of funds with Jamner Sugar Factory Management as well as at our end.

As regards Mathura Unit, we have taken initiative in carrying out maintenance of all heavy plant and machinery lying at Mathura Unit. During the year, the Company has executed sub-contract work in respect of the jobs procured from the main contractors.

As regards TPE plant, sufficient care was taken to ensure that the plant is maintained well to prevent deterioration due to non-use.

The company has substantially reduced the cost at all levels and continues with its efforts of minimizing its labour & staff force at the Plant and at corporate office and also it is trying that all essential posts are adequately manned.

The company has filed appeal before the Hon'ble AAIFR in the month of May, 2004 against the BIFR order. Hon'ble AAIFR was pleased to stay the proceedings with regard to the change of Management in the month of May, 2004 itself and the matter is pending before AAIFR. The next date of hearing has been fixed in the month of September, 2005.

With regard to OTS proposal submitted by the company to IDBI as well as all secured lenders in the month of March, 2004, the discussions are going on with IDBI (O.A.).

The company has initiated the process of relisting of its securities on Bombay Stock Exchange and the same will be completed within 2 to 3 months.

DIRECTORS

The IFCI vide its letter No. IFCI/NDC-1/2005 dated 17.05.05 has informed about the nomination of Ms. Manju Jain as nominee Director on our Board of Directors pursuant to the loan Agreement entered into by the company with IFCI dated 18/9/1995. Accordingly, the company has taken the above into its records.

As required by the provisions of Section 256 of the Companies Act, 1956, Mr. S. P. Banerjee retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself 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.

- that in preparing the Annual Accounts, all applicable accounting standards have been followed.
- that the accounting policies adopted are consistently