

For AUROMA COKE LTD.

[Signature]
Secretary



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AUROMA COKE LIMITED

ANNUAL REPORT - 2002-03

BOARD OF DIRECTORS

VIMAL KUMAR TULSYAN

Chairman cum Managing Director

M. L. SAWA

ALOK SAWA

SANJEEV K. TULSYAN

Whole time Director

RAJIV TULSYAN

Whole Time Director

PRASHANT TULSYAN

Share Transfer Committee

Prashant Tulsyan Chairman

Rajiv Tulsyan

S. K. Tulsyan

Audit Committee

Alok Sawa Chairman

M. L. Sawa

Prashant Tulsyan

Secretary and Compliance Officer

Vimal Kumar Taparia

Registered Office

4, Synagogue Street,

Room No. - 302

Kolkata - 700 001

Administrative Office

210, Shanti Bhawan

Bank More,

Dhanbad - 826 001

Factory

G. T. Road, Govindpur

Dhanbad - 828 109

Auditors

A. K. More & Company

30, Jadunath Dey Road,

Kolkata - 700 012

Bankers

Bank of India

NOTICE

NOTICE is hereby given that 10th Annual General Meeting of the members of Auroma Coke Limited will be held at the Registered Office at 4, Synagogue Street, 3rd floor, Kolkata - 700 001, on Tuesday, 30th September, 2003 at 11 A. M. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003 and Profit & Loss Account for the year ended on that date and Report of the Directors and Auditors.
2. To appoint a Director in place of Shri Vimal Kumar Tulsyan who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Directors in place of Shri Sanjeev K. Tulsyan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Special Business

5. To consider and if thought fit, to pass with or without modification the following resolution as a special Resolution :-
 "RESOLVED THAT in terms of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, consent be and is hereby given for delisting of securities of the Company from the Stock Exchange, Ahmedabad and Jaipur Stock Exchange Ltd."
6. To consider and if thought fit, to pass with the without modification the following resolution as a Special Resolution :-
 "RESOLVED THAT in terms of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, consent be and is hereby given for delisting of securities of the Company from The Calcutta Stock Exchanged Association Ltd."
7. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution :-
 "RESOLVED THAT Shri Alok Sawa be and is hereby appointed as a Director of the Company liable to retire by rotation as per provisions of the Companies Act. 1956".
8. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution :-
 "RESOLVED THAT Shri M. L. Sawa be and is hereby appointed as a Director of the Company liable to retire by rotation as per provisions of the Companies Act. 1956".
9. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution :-
 "RESOLVED THAT pursuant to the provisions of the Section 198, 309, 310 and other applicable provisions, if any and Schedule XIII of the Companies Act., 1956, the Company hereby approves the appointment of Shri Prashant Tulsyan as Whole Time Director for period of five years w.e.f. 1st April, 2003 up to 31st March, 2008 on the following terms and conditions :-

(1) Salary - In the scale of Rs. 12,000/- - 750/- - 14,250/-

(2) Perquisites and allowances

Perquisites and allowances shall be allowed in addition to salary. However it shall be restricted to an amount equal to the annual salary.

Minimum Remuneration :-

In the event of loss or inadequacy of profits in any financial year during the currency of his term, the remuneration aforesaid shall be the minimum remuneration subject to the conditions prescribed in this regard under Schedule XIII to the Companies Act., 1956 as amended from time to time and statutory approvals, if any".

10. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution :-
 "RESOLVED THAT pursuant to the provisions of Section 198, 309, 310 and other applicable provisions, if any and Schedule XIII of the Companies Act., 1956, the Company hereby approves the payment of enhanced remuneration to Shri Sanjeev K. Tulsyan w.e.f. 1st April, 2003 up to his remaining tenure in the office on the following terms and conditions :-

(1) Salary Rs. in the Scale of Rs. 12,000/- 1000/- 15,000/-

(2) Perquisites and allowances

Perquisites and allowances shall be allowed in addition to the salary. However it shall be restricted to an amount equal to the annual salary.

Minimum Remuneration :-

In the event of loss or inadequacy of profits in any financial year during the currency of his term, the remuneration aforesaid shall be the minimum remuneration subject to the conditions prescribed in this regard under Schedule XIII of the Companies Act., 1956 as amended from time to time and statutory approvals, if any.

11. To consider and it thought fit, to pass with or without modification the following resolution as an Ordinary Resolution :-

"RESOLVED THAT pursuant to the provisions of Section 198, 309, 310 and other applicable provisions, if any and Schedule XIII of the Companies Act., 1956, the Company hereby approves the payment of enhanced remuneration to Shri Vimal K. Tulsyan w.e.f. 1st April, 2003 up to his remaining tenure in the office on the following terms and conditions :-

(1) Salary Rs. in the scale of Rs. 15,000/- 1,000/- 18,000/-

(2) Perquisites and allowances

Perquisites and allowance shall be allowed in addition to salary. However it shall be restricted to an amount equal to the annual salary.

Minimum Remuneration :-

In the event of loss or inadequacy of profits in any financial year during the currency of his term, the remuneration aforesaid shall be the minimum remuneration subject to the conditions prescribed in this regard under Schedule XIII of the Companies Act., 1956 as amended from time to time and statutory approvals, if any.

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

"RESOLVED THAT pursuant to the provisions of Section 198, 309, 310 and other applicable provisions, if any and Schedule XIII of the Companies Act., 1956, the Company hereby approves the payment of enhanced remuneration to Shri Rajiv Tulsyan w.e.f. 1st April, 2003 up to his remaining tenure in the office on the following terms and conditions :-

(1) Salary Rs. in the scale of Rs. 12,000/- 1,000/- 15,000/-

(2) Perquisites and allowances

Perquisites and allowances shall be allowed in addition to salary. However it shall be restricted to an amount equal to the annual salary.

Minimum Remuneration :-

In the event of loss or inadequacy of profits in any financial year during the currency of his term, the remuneration aforesaid shall be the minimum remuneration subject to the conditions prescribed in this regard under Schedule XIII of the Companies Act, 1956 as amended from time to time and statutory approvals, if any.

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

"RESOLVED THAT pursuant to the provisions of Section 21 of the Companies Act, 1956 and subject to the statutory approvals, if required, consent be and is hereby given for change of name of the Company as AUROMA INDUSTRIES LTD."

Date : 30th Jun, 2003

Place : Kolkata

By Order of the Board

For AUROMA COKE LTD.

Vimal Taparia

Secretary

MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME FOR COMMENCEMENT OF THE MEETING.

An Explanatory Statement pursuant to section 173 (2) of the Companies Act., 1956 is annexed hereto.

3. Register of members and share transfer books of the Company shall remain closed from Tuesday, 23rd September 2003 to Tuesday, 30th September 2003 (both days inclusive).
4. Members are requested to notify immediately to the company about the change in their addresses along with PIN Code Number.
5. Members are requested to bring their copy of Annual Report at the meeting.
6. The Company has paid the listing fee for the year 2003-2004 to the Kolkata Stock Exchange, for 2002-03 to Mumbai Stock Exchange and Ahmedabad Stock Exchange and up to the year 1999-2000 to the Jaipur Stock Exchange where the equity shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5 and 6

The Company's securities are listed at Calcutta, Mumbai, Jaipur and Ahmedabad stock exchanges.

Over the years, the Company's securities have not been traded on these stock exchanges.

As a measure of control on administrative expenses, your Board proposes to de-list the securities from Calcutta, Jaipur and Ahmedabad Stock Exchanges in accordance with the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003. However, listing shall be continued at The Stock Exchange, Mumbai.

The Board recommends the Resolution.

None of the Directors and concerned or interested in the resolution.

Item No. 7 and 8

To implement the corporate governance code, the Board at the meeting held on 17th March, 2003 appointed Mr. Alok Sawa and Mr. M. L. Sawa as additional Directors. By virtue of provisions of Section 260 of the Companies Act., 1956, they hold office up to the date of ensuing Annual General Meeting of the Company.

Mr. M. L. Sawa, has rich experience in coke and coal industry.

Mr. Alok Sawa, LLB, is an advocate by profession. He is well equipped with current corporate laws and procedures.

The Company has received Notices under Section 257 of the Companies Act, 1956 from shareholders proposing the candidature of Mr. Alok Sawa and Mr. M. L. Sawa as Directors.

The Board recommends the Resolution.

Mr. Alok Sawa and Mr. M. L. Sawa are concerned or interested in the proposed resolution as it relate to their own appointment.

None of the other directors is concerned or interested in the proposed resolutions.

Item No. 9

The Board approved the appointment of Mr. Prashant Tulsyan as whole time director w.e.f. From 1st April, 2003, in terms of Section 269 read with Schedule XIII of the Companies Act., 1956 on the remuneration as set out in the resolution.

Other principal terms and conditions of his appointment are as under :-

1. No sitting fees will be paid to him for attending the meeting of the board of Directors or committee thereof.

2. He shall be entitled to the reimbursement of entertainment expenses actually and properly incurred by him, in the course of the business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the company, as per the rules and regulations of the Company or as approved by the Board of Directors.
3. He shall not engage himself, either directly or indirectly or be interested in any capacity whatsoever or render assistance during the term of his office in the Company to any firm, company, of whether a manufacturer, deal or trade in goods or products which are of the same or similar kind, nature as those of the company.
4. He shall not during the continuance of his employment with the company or any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company, any information or knowledge obtained by him during his employment as to the business or affairs of the company or of its methods or as to any trade secrets or secret processes of the company and shall use his best, endeavors to prevent any other person from doing so. However such divulgence or disclosure by him to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be contravention of this clause.
5. Either party shall be entitled to terminate the employment by giving to the other party 90 days notice in writing.
6. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may be permissible and if deem fit, so as not to exceed the limits specified in Schedule XIII to the Companies Act., 1956 or any amendments made thereto.

The Board recommends the Resolution.

Directors' interest :-

Mr. Prashant Tulsyan is concerned or interested in the resolution since the resolution in the connection with his appointment and remuneration. Mr. Vimal K. Tulsyan, Mr. Sanjeev K. Tulsyan and Mr. Rajiv Tulsyan may be deemed to be concerned or interested as they are relatives of Mr. Prashant Tulsyan.

None of other directors are concerned or interested in the resolution.

This explanatory statement together with the accompanying notice is to be regarded as an abstract of the terms of the appointment and memorandum of concern of interest, under Section 302 of the Companies act, 1956.

Item No. 10, 11 and 12

The Board of Directors at their meeting held on 30th June, 2003 approved the Increased remuneration as set out in the resolutions to Mr. Vimal K. Tulsyan, Sanjeev and Mr. Rajiv Tulsyan as set out in the resolutions.

Hence, the proposed resolutions seeking your approval.

None of the directors except Mr. Vimal K. Tulsyan, Mr. Sanjeev K. Tulsyan, Mr. Rajiv Tulsyan and Mr. Prashant Tulsyan are concerned or interested in the resolution.

Item No. 13

In view of the buoyant outlook in sponge iron and other related manufacturing activities, your Company no longer wishes to be restricted in area of coke and coal only. The Company is desirous to enter in that area in a gradual and phased manner.

In the above context, its existing name AUROMA COKE LIMITED does not reflect its future activities and the Board proposes to change the name to AUROMA INDUSTRIES LIMITED. The Company has already filed with the Registrar of Companies, West Bengal application for availability of the proposed name.

The change of name of the Company requires your consent by a special resolution under the provision of Section 21 of the Companies Act, 1956.

Your directors commend passing of this resolution as a special resolution.

None of the directors is, in any way, concerned or interested in this resolution.

Date : 30th Day of June , 2003

Place : Kolkata

By Order of the Board

Vimal Taparia

Secretary

DIRECTORS' REPORT

The Directors have pleasure in presenting the 10th Annual Report of the Company with the audited statement of the Accounts for the year ended 31st March 2003.

Financial Result	Rs. In lacs	
	2002-03	2001-02
Profit before Depreciation and Interest	153.29	122.22
Interest	73.45	68.02
Depreciation	29.86	29.52
Profit before Tax	49.98	24.68
Investment allowance written back	1.78	—
Provision for Tax (MAT)	4.10	1.69
Provision for Deferred Tax	19.78	16.82
Profit after Tax for the year	27.88	6.17
Add : Debit balance in Profit & Loss Account brought forward	(20.47)	(26.64)
Remaining credit/debit balance Carried over to Balance Sheet	7.42	(20.47)

Operations

The turnover during the year was Rs. 2524 lacs, an increase of 4% over the corresponding year ended 31st March, 2001. The Company has been able to achieve a positive growth in turnover despite a near six months halt in sale of washed coal for the reason of delay in getting order from Indian Iron and Steel Co. Ltd. (IISCO). However, the operating profit before depreciation, interest and tax increased by 25% due to better utilization of resources.

Outlook

The current year has seen some positive developments in coke and coal industry. The demand of coke and coal increased and hence the realizations due to better performance by its user industries like iron and steel cement, etc. particularly the iron and steel plants which have experienced its best ever period. All these have positively effected the consumption of coke and coal, a source of fuel and hence its realizations.

The Company expects this trend to continue in coming years. Your company is best equipped to realize the benefits of this scenario because of its superior quality and efficient management.

Based on the feed back and continuous monitoring of the business outlook, your Company may go for capacity expansion or venturing into other business like iron and steel.

Dividend

The Board has decided to plough back the entire profit generated during the year as the funds shall be better utilized in its prosperous time and hence, enhancing the shareholder value.

Allotment money in arrear

Your Company requests to all erring shareholders to pay the allotment money immediately payable on their respective shareholding. In the interest of the shareholders, your Directors have waived the interest chargeable on delayed payment of allotment money.

Delisting of securities

In view of total absence of trading at the stock exchanges at Calcutta, Jaipur and Ahmedabad, your Directors propose to delist the securities from these stock exchanges. However, the listing at the Stock Exchange, Mumbai shall be continued.

Directors

Mr. Vimal K. Tulsyan and Mr. Sanjeev K. Tulsyan retire by rotation and being eligible offer for re-appointment.

Mr. Alok Sawa and Mr. M. L. Sawa have been inducted in the Board as additional Directors. The Company has received Notices under Section 257 of the Companies Act, 1956 from shareholders proposing the candidature of Mr. Alok Sawa and Mr. M. L. Sawa respectively as Directors.

Mr. Prashant Tulsyan has been appointed as whole time Director w.e.f. 1.4.2003

Auditors

The observations of the Auditors in their Report on Accounts read with the relevant notes are self-explanatory.

Messrs A. K. More & Co., statutory auditors, hold office up to the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Employees

The relations with employees and workers at all levels were harmonious during the year resulting in high level of performance.

During the year, no employee of the Company was in receipt of remuneration exceeding the sum prescribed under Section 217 (2A) of the Companies Act, 1956. Hence, furnishing of particulars under the Companies (Particulars of Employees) Rules, 1975 does not arise.

Conservation of energy and technology absorption and foreign exchange earning and outgo

Conservation of Energy - The Coke Ovens are designed in such a way that considerable amount of energy is saved.

Technology Absorption - Research and Development
The Company has not carried out any research and development activities during the year.

Technology absorption, adoption and innovation

The present technology used in manufacture is indigenous.

Foreign Exchange - No foreign exchange earning and outgo took place during the year.

Directors' responsibility statement

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed that:

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2003, the applicable accounting standards have been followed;
- ii) Your directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the profit & loss of the company for the year under review;
- iii) That your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) Your directors had prepared the annual accounts on a going concern basis.

Management Discussion and Analysis Report

Pursuant to clause 49 of the Listing Agreement, a management discussion and analysis report is annexed hereto.

Corporate Governance

Your company is committed to incorporation of appropriate standards of corporate governance. Towards this end and in line with the clause 49 of the Listing Agreement adequate steps have been taken to implement the corporate governance code.

A report on the corporate governance alongwith the Auditors' statement on the compliance is annexed hereto..

Acknowledgments

The management is grateful to its Bankers, customers, suppliers and shareholders for their continued assistance and co-operation.

The Directors also wish to place on record their appreciation of the concerted efforts and co-operation by all employees and workmen

Date : 30th Day of June, 2003

Place : Kolkata

For and on the Board

V. K. Tulsyan

Chairman cum Managing Director

STATEMENT DISCUSSION AND ANALYSIS REPORT

Structure and Development

In 2003, the coal and coke industry of late started to show signs of improvement in demand and realizations. The cheap import of raw coal has offset the deficit in indigenous raw coal production by Coal India Limited.

The economic environment has witnessed booming time particularly the capital goods and infrastructure sector has witnessed increased investment and capacity additions. The iron and steel units being amongst the major coal consuming sectors have stepped up production to meet the increased demand. These factors have contributed positively for coke and coal industry.

Outlook

The future of low ash metallurgical coke (LAMC) and washed coal looks promising. The continuous improvement in demand and production as well as capacity additions in user industries help improved realizations and demand of coke and coal. Your Company hopes this trend to extend to coming years also.

Your Company is fully geared up to reap the benefits of booming economy. With no setting up of new units or expansion in coke and coal industry coming up in eastern region, your company expects steady growth in demand and realizations over the years. Coupled with cost cutting measures undertaken by your Company, its bottom line is all set to head northward.

On a conservative side, your Company expects to achieve a turnover of over 30 crores and a net profit before tax of Rs. 75 lacs in the 2003-04.

Financial Performance

The performance during the year 2002-03 has not been so impressive mainly because of washed coal production coming to near halt during the six months period for the reason of delay in fresh order from IISCO. However, Your Company managed to achieve 4% increase in turnover over the previous year at Rs. 2524 lacs. The profit after tax (current tax) at Rs. 45.88 lacs was almost doubled over the corresponding previous year. The Company has been able to wipe out entire accumulated deficit in Profit & Loss Account.

Internal Control System

The company has an adequate internal control system including suitable monitoring and procedures commensurate with its size and the nature of the business. The internal control system provide for all documented policies, guidelines, and authorization and approval procedures. The Company has also internal audit in place, which carries out audits at suitable intervals.

Human Resources

In the current business scenario, the need of human resource development is being felt as never before. The corporate of late started recognizing the importance of relationship with its human force. Given the above context, the importance of human resources is amply recognized by your Company. The least employee turnover ratio of your Company manifests the employees' satisfaction. Your Company provides employment to over 125 persons, directly or indirectly.

Cautionary Note

Statement in this report describing the Company's objectives, projections, estimates, expectations and predictions may be forward looking statements. Actual results could differ materially from those expressed or implied due to variations in prices of raw materials, pricing in the company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors.

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Your Company has been practicing the principles of good Corporate Governance over the years.

The Board of Directors supports the broad principles of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency.

1. Board of Directors

The Board of Directors of the Company comprised of six directors as on 31.03.2003

1. Shri Vimal K. Tulsyan	Executive
2. Shri Sanjeev K. Tulsyan	Executive
3. Shri Rajiv Tulsyan	Executive
4. Shri Prashant Tulsyan	Non Executive
5. Shri M. L. Sawa	Non Executive, independent
6. Shri Alok Sawa	Non Executive, independent

Attendance of each directors at the Board Meetings and last AGM

Nine Board Meeting were held during the Financial Year 2002-03. The last A.G.M. of the company was held on 30.09.2002.

Name of the Director	Category	Board Meetings	Last AGM	No. of Directorship in other companies
Shri Vimal K. Tulsyan	Executive	9	Yes	3
Shri Sanjeev K. Tulsyan	Executive	9	Yes	2
Shri Dipak Choudhary*	Independent	None	No	--
Shri Rajiv Tulsyan	Executive	9	Yes	2
Shri Prashant Tulsyan	Non-Executive	9	Yes	None
Shri S. K. Chhapolika**	Independent	3	No	1
Shri M. L. Sawa#	Independent	1	No	None
Shri Alok Sawa#	Independent	1	No.	None

* Resigned with effect from 30.9.2002

** Resigned with effect from 5.10.2002

Appointed with effect from 17.3.2003

Number and the dates of the Meetings held during 2002-03

The Board Meeting were held nine times during the Financial Year 2002-2003 on 30.04.2002, 30.5.2002, 20.6.2002, 31.7.2002, 26.8.2002, 5.10.2002, 31.10.2002, 22.11.2002 and 17.3.2003.

2. Audit Committee

The Audit committee has been re-constituted in line with the provisions of the listing agreement as well as Section 292A of the Companies Act, 1956, Shri V. K. Tulsyan resigned from the Audit Committee and Shri S. K. Chhapolika ceased to be a member following his resignation from the Board on 5.10.2003. Shri M. L. Sawa and Shri Alok Sawa has been appointed in the Committee w.e.f. 17.3.2003.

Following is the Audit Committee composition as on 31.3.2002

Mr. Alok Sawa	Chairman
Mr. M. L. Sawa	
Mr. Prashant Tulsyan	

The Company Secretary of the Company acts as the secretary to the Audit Committee.

Terms of Reference

The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.