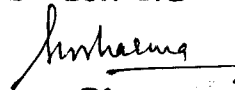


Certified to be True Copy
For APEX INTERTECH LTD.


Director.

36TH ANNUAL REPORT (2002-2003)

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APEX INTERTECH LIMITED

BOARD OF DIRECTORS

Mr. S K. SHARMA

Mr R. C. GARG

Mr SALIL GOPAL

SHARE TRANSFER AGENTS

Intime Spectrum Registry Limited

A-31, 3rd Floor,

Naryana Industrial Area, Phase - 1,

(Near PVR Cinema)

New Delhi - 110 028

Tel.: 51410592-93-94

Fax.: 51410591

PRINCIPAL BANKER

Bank of Baroda

New Delhi

AUDITORS

V. Sahai & Co.

New Delhi

REGD. OFFICE

Surya Kiran

19, Kasturba Gandhi Marg

New Delhi - 1100 001

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Members/shareholders are requested to correspond directly with our Share Transfer Agents at their address given above for any matter related to shares. It would save time and help us in expediting the matters.

IMPORTANT

**NO GIFTS/COUPONS WOULD BE GIVEN TO THE SHAREHOLDERS FOR
ATTENDING THE ANNUAL GENERAL MEETING**

NOTICE

NOTICE is hereby given that the THIRTY-SIXTH Annual General Meeting of the Shareholders of APEX INTERTECH LIMITED will be held as scheduled below:

Day : Saturday
Date : 27-09-2003
Time : 9:15 A.M.
Place : The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110 030

to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003 and the Profit & Loss Account of the Company for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S. K. Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

**BY ORDER OF THE BOARD OF DIRECTORS
For APEX INTERTECH LTD.**

**(S. K. SHARMA)
Director**

Place : New Delhi

Date : 18.08.2003

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and such a proxy need not be a member of the Company. Proxies in order to be effective must be filed with the Company at its Registered Office not later than 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address and for any matter concerned or related to shares to the Company or directly to our Share Transfer Agents at In-Time Spectrum Registry Ltd., A-31, 3rd Floor, Naryana Industrial Area, Phase-1, Near PVR Cinema, New Delhi-110028.
3. Members are requested to bring their copies of Annual Report and Accounts to the meeting.
4. Members wishing to ask for information about the Accounts and Operations of the Company are requested to write one week in advance to the Company at Surya Kiran, 19, K.G. Marg, New Delhi - 110 001 to the attention of Mr. S. K. Sharma, Director so as to enable the Company to keep the information ready.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 23rd September, 2003 to Saturday, the 27th September, 2003 (both days inclusive).

DIRECTORS' REPORT

The Directors hereby present the 36th Annual Report alongwith audited accounts of the Company for the year ended March 31, 2003,

FINANCIAL RESULTS

In view of continued financial stringency, the Company could not restart trading in autoparts which was suspended last year. During the year, therefore, the only revenue was on account of interest received on income tax refund, some balances written back and miscellaneous income totalling to Rs.6.50 Lacs.

After providing for depreciation, the year closed with a net loss of Rs.17.00 Lacs.

Both Mr. Deepak Singh, the former Chairman and Mr. S. K. Sharma, Director of the Company did not charge interest on their outstanding loans to the Company resulting in substantial savings in interest cost. Mr. Deepak Singh as well as Mr. S. K. Sharma have confirmed that they will not be charging any interest on their outstanding loans during the current year also.

DIVIDEND

In view of carried forward losses as well as loss for the year, the Directors recommend that no dividend be paid for the year both on Equity as well as Preference Shares.

OPERATIONS

The Company hived off its various manufacturing divisions in the previous years. The trading in auto parts was also discontinued during the last financial year 2001-02 due to working capital resource crunch. Consequently, the Company could not carry out any manufacturing or trading operations during the year under review.

One of the creditors of the Company has filed a petition with the Delhi High Court seeking winding up of the Company under section

433(e) and 434 of the Companies Act, 1956 on account of its inability to repay the debts. A notice confirming the admission of petition has been received by the Company in this regard.

DIRECTORS

There was no change in the Board of Directors of your Company during the year.

Mr. S.K. Sharma, Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

The Auditors, M/s. V. Sahai & Co., Chartered Accountants, New Delhi will retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

DEPOSITS

No deposits were invited and accepted by the Company during the year under the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION/ FOREIGN EXCHANGE EARNINGS OR OUTGO

During the year under review, the Company had no activities involving any consumption of Energy and/or utilising Technology sourced from outside/others.

Furthermore, the Company neither earned nor spent any foreign exchange during the year under review.

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employee whose particulars are required to be mentioned pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the rules framed thereunder.

AUDITORS' OBSERVATION

The observations made by the Auditors are generally self-explanatory. However, we wish to clarify as follows :-

Observation of the Auditors about 'going concern concept' is explained in Note No. 5 of Part 'B' of Annexure No. 10 of the Balance Sheet.

LISTING OF SECURITIES OF THE COMPANY

The Equity Shares of the Company are listed on Delhi (Regional), Mumbai, Ahmedabad, Jaipur and Ludhiana Stock Exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) that in the preparation of annual accounts, applicable accounting standards have been followed;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates 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 or loss of the Company for the year under review;

- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors wish to place on record their thanks to various Government departments, Company's Bankers, Shareholders and other business associates for their support and their appreciation of the devoted services rendered by the Company personnel during the year.

FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS

Place : New Delhi
Date : 18.08.2003

(S. K. SHARMA)
Director

AUDITORS' REPORT

The Shareholders,
Apex Intertech Limited,
New Delhi

We have audited the attached balance sheet of Apex Intertech Limited as at 31st March, 2003 and also the profit & loss account and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4(A) & (C) of the said order.

Further to our comments in the Annexure referred to in paragraph 3 above we report that:-

- (a) We have obtained all the information and explanations, which to the best of our

knowledge and belief, were necessary for the purpose of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books.
- (c) The company's balance sheet and profit & loss account dealt with by this report are in agreement with the books of account.
- (d) In our opinion, subject to Note 5 on going concern the profit & loss account and balance sheet of the company comply with accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
- (e) Based on the representations made by all the Directors and the information and duly certified explanations given to us by the company none of the Directors of the company have prima facie any disqualifications as referred to in clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Notes and the statement of Significant Accounting Policies give the information required by The Companies Act, 1956, in the manner so required and give a true and fair view:-
 - (i) In the case of the balance sheet of the state of affairs of the company as at 31st March, 2003; and
 - (ii) In the case of the profit & loss account of the company of the loss for the year ending on that date.
 - (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph (3) of Our Report of Even Date)

1. Since all the fixed assets have been disposed off by the company during the year clauses (i) and (ii) are inapplicable and have not been commented upon.
2. There were no stocks at the end of the year and therefore clauses (iii) to (vi) are inapplicable and have not been commented upon.
3. According to the information and explanations given to us, the company has taken loans from companies, firms or other parties listed in the register maintained under section 301 of The Companies Act, 1956, and/or from companies under the same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956. The rate of interest and other terms and conditions on which loans have been obtained are not prejudicial to the interest of the company.
4. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or to companies under the same management, within the meaning of section 370 (1B) of the Companies Act, 1956.
5. In respect of loans and advances in the nature of loans given by the company from time to time the repayment of principal and interest is in accordance with stipulated terms.
6. In our opinion and according to the information and explanations given to us during the course of the audit there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of stocks.
7. There were no purchase and sale of goods, materials and services, made in pursuance of contracts or arrangements required to be entered in the register maintained under section 301 of The Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in value in respect of each party.
8. As explained to us the company has a reasonable system for the determination of unserviceable or damaged stores, raw materials and finished goods. There was no closing stock at the end of the year.
9. No deposits accepted from the public were outstanding at the end of the year.
10. There were no scrap or by-products since there were no manufacturing activities during the year.
11. The company conducts an internal review of its accounts which is commensurate with its size and nature of its business.
12. The maintenance of cost records under section 209(1)(d) of The Companies Act, 1956 has not been prescribed by the Central Government for any product of the company.
13. According to the records of the company, Provident Fund and Employees' State Insurance dues have been regularly deposited during the period with the appropriate authorities.
14. According to the information and explanations given to us, no undisputed