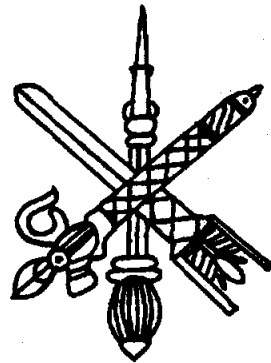
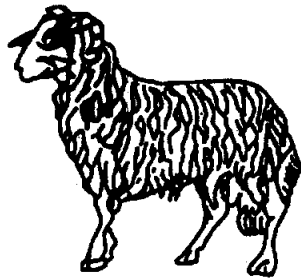
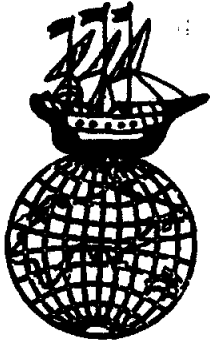


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# BINNY

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## ANNUAL REPORT AND ACCOUNTS

**MARCH 2001**

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**BINNY LIMITED**ANNUAL REPORT  
MARCH - 2001

Executive Chairman	<b>DIRECTORS</b>	
	M. Ethurajan G.K. Daryanani K.M. Goenka M. Nandagopal R. Narayanan S. Natarajan Niranjan Hiranandani M.E. Shanmugam Syed M. Salahuddin (Alternate Director - Hameed S. Salahuddin) V.R. Venkatachalam Ziaullah Sheriff	
NOMINEES OF Government of India	Sudhir Bhargava, IAS (Alternate Director - Y.P. Singh, IAS) R. Suresh, IAS Smt. Jayanthi, IAS	
	Karnataka Tamil Nadu	
IDBI	G. Parameswaran	
BIFR	K. Kannan	
COMPANY SECRETARY	D. Kalaiyarasu	
BANKERS	Indian Bank Oriental Bank of Commerce The Federal Bank Ltd. Bank of Baroda State Bank of India	
AUDITORS	Fraser & Ross	
REGISTERED OFFICE	106, Armenian Street, Chennai - 600 001.	
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**BINNY****TEXTILE DIVISION**

Manufacturing and marketing of wide range of cotton, silk, man-made fibre, blended fabrics and woollen blended fabrics like cotswool. Also manufacturing Angola for Defence Services

Mills at

Perambur  
Chennai - 600 012.

Agraharam Road,  
Bangalore - 560 023.

Regional  
Sales Offices at

Court Chambers  
New Marine Lines  
Mumbai - 400 020.

Ganga Plaza Building,  
18/13, W.E.A. Pusa Lane,  
Karol Bagh,  
New Delhi - 110 005.

2B, Ganesh Chandra Avenue  
Calcutta - 700 013.

Showrooms at

Bangalore, Calcutta  
and Chennai

**BINTEX DIVISION**

Marketing of cotton, polyester blended, woollen fabrics and Hosiery other than manufactured / produced by the company

106, Armenian Street,  
Chennai - 600 001.

**SERVICES DIVISION****AGENCY**

Marketing of Engineering and miscellaneous products

106, Armenian Street,  
Chennai - 600 001.

**SHIPPING**

Shipping, Stevedoring, Clearing & Forwarding Agents, Ship Manning & Management. Also operating Cold Storage Plant at Cochin

106, Armenian Street,  
Chennai - 600 001.

Branches at

Visakhapatnam  
Cochin and  
Tuticorin

**TRAVEL**

IATA and ITDC approved Travel Agents

LIC Building,  
Anna Salai,  
Chennai - 600 002.

**NOTICE**

NOTICE IS HEREBY GIVEN that the Thirty Second Annual General Meeting of the company will be held  
 at 106, Armenian Street, Chennai - 600 001  
 on Friday, the 28th December 2001  
 at 10.20 a.m.

to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Directors' Report, Audited Balance Sheet as at 31st March 2001, the Profit and Loss Account for the year ended that date together with the Auditors' Report thereon.
2. To appoint a Director in place of Mr. M. Ethurajan, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. K.M. Goenka, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. S. Natarajan, who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. M.E. Shanmugam, who retires by rotation, and being eligible, offers himself for reappointment.
6. To appoint a Director in place of Mr. V.R. Venkatachalam, who retires by rotation, and being eligible offers himself for reappointment.
7. To appoint Auditors and fix their remuneration. Messrs. Fraser & Ross, Chartered Accountants, Chennai are the retiring Auditors and are eligible for reappointment.

**SPECIAL BUSINESS:**

8. To pass with or without modifications, if any, the following resolutions as Special Resolution.

Resolved that the Scheme of Rehabilitation of the company sanctioned by the BIFR at its hearing held on 31.10.2001 be and is hereby taken on record.

Further resolved that the Board of Directors of the company (hereinafter referred to as the Board which term shall include any Committee thereof in exercise of the powers conferred on the Board) be and is hereby authorised to implement the scheme sanctioned by the BIFR in all respects and subsequent amendments, modifications, directions, permissions, sanctions and other terms and conditions issued thereafter by the BIFR relating to the said scheme and settle all questions, difficulties, or doubts that may arise while implementing the said scheme with Operating Agency, Financial Institutions, Banks, Government authorities, agencies, other persons as they may in their absolute discretion deem fit without being required to seek any further permission or consent or approval of the members to the end that the intent shall be deemed to have been given thereof expressly by the authority of this resolution.

9. To pass with or without modifications, if any, the following resolutions as Special Resolution.

Resolved that subject to the provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof for the time being in force) Securities Contracts (Regulation) Act, 1956 and the

**BINNY**

Rules framed thereunder, Listing Agreements and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approval, permissions and sanctions which may be agreed to by the Board of Directors of the company (hereinafter referred to as "the Board" which term shall include any Committee thereof in exercise of the powers conferred on the Board) the consent of the Company be and is hereby accorded to the Board of Directors to delist the equity and preference shares of the Company from the Stock Exchange, Mumbai.

Further resolved that the Board of Directors of the company be and are hereby authorised to take such steps as may be necessary to give effect to this resolution.

BY ORDER OF THE BOARD

Registered Office:  
106, Armenian Street  
Chennai 600 001  
28th November 2001

D. KALAIYARASU  
COMPANY SECRETARY

**NOTES:**

1. An Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 is annexed.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy so appointed need not be a member of the company. In order to be effective, the proxies must reach the Registered Office not later than 48 hours before the Meeting.
3. **The Register of Members and the Share Transfer Books of the company will remain closed from Wednesday, the 19th December 2001 to Friday, the 28th December 2001 (both days inclusive).**
4. Members are requested to intimate their change of address, if any, quoting their Folio Numbers.
5. Members holding shares in identical names in more than one folio are requested to forward all the share certificates for consolidation.
6. **Members who have not yet surrendered their old Equity / Preference Share Certificates of F.V. Rs. 100 each are requested to forward their Share certificates immediately for exchange of new subdivided share certificates of F.V. Rs. 10 each.**
7. The company has remitted Rs. 4.48 lakhs being the unclaimed amount of 'B' & 'C' Series Debenture Stocks 1977-1982 and interest accrued on such debenture stock to Investor Education and Protection Fund maintained by the Central Government as provided in Section 205C of the Companies Act 1956.

**EXPLANATORY STATEMENT**

(Pursuant to Section 173(2) of the Companies Act, 1956)

**Item No. 8**

A) The BIFR has sanctioned a Scheme of Rehabilitation at its hearing held on 31.10.2001. The salient features of the scheme inter alia include :

1. Binny Limited would be split into two companies viz. Binny Limited and Binny Karnataka Ltd. (BKL) with effect from 1.4.2001
2. B & C Mills at Perambur, Chennai, the Services Division including Cold Storage at Cochin, Mining at Royalacheruvu, Andhra Pradesh and the Showrooms at Chennai, Calcutta and Regional Office at Mumbai and Delhi, together with land and buildings of the company in the State of Tamil Nadu and all current assets and liabilities together with the contributions brought in by the promoters would be retained by Binny Limited.
3. The Bangalore Mills together with land and buildings of the company in the State of Karnataka and all current assets and liabilities together with the contributions brought in by the Co-promoters and the showrooms at Bangalore would be taken over by Binny Karnataka Ltd. and the shares of Binny Engineering Ltd. would also be transferred to Binny Karnataka Ltd.
4. Binny Limited would be under the charge of the promoters i.e. the Ethurajan Group. Binny Karnataka Ltd. as per the understanding reached between co-promoters group Dynamix and ETA, would be under the charge of the co-promoters ETA Group.
5. The Preference and Equity shareholders of Binny Limited, for every two shares held by them, would get fully paid up share at par in the respective category, one share in Binny Limited and one share in Binny Karnataka Ltd.
6. Binny Limited would be shifting the plant location to Singaperumal Koil and run 170 looms and a processing House to process 40,000 meters of double width cloth, which is equivalent to 80,000 meters of single width cloth produced earlier.
7. After discharging all the liabilities, Binny Ltd. would start the Container Freight Station activities at B & C Mills premises.
8. Binny Karnataka Ltd. would run Bangalore Mills with 90 Piconol Looms and Silk Looms.
9. Binny Engineering Ltd. would become a wholly owned subsidiary of Binny Karnataka Ltd.
10. The liabilities of Financial Institutions, State Bank of India, consortium banks consisting of Indian Bank, Oriental Bank of Commerce, Bank of Baroda and The Federal Bank Ltd., including the Letter of Credit liabilities of Indian Bank, Debenture holders and balance liabilities payable to the workmen would be settled after taking into account the reliefs sanctioned in the scheme, as an one-time settlement within 90 days from the date of sanction of scheme.
11. Funds already brought in by the promoters and co-promoters had been utilised towards payment of dues to the workmen. Further funds are to be mobilised by way of sale of machinery, sale of properties and the profits from the sale of joint venture development properties. The promoters / co-promoters would undertake to arrange funds necessary to meet the requisite obligations viz. Rs. 7100 lakhs in respect of Binny Limited and Rs. 5600 lakhs in respect of Binny Karnataka Ltd. respectively.
12. After discharging the liabilities of workmen and secured creditors and implementing all other directions, the promoters shall be permitted to convert their unsecured loans into cumulative redeemable preference shares. The coupon rate for preference shares would be such that it would yield a return of not more than 16.5% p.a. after considering the tax benefits.
13. The net dues to Indian Bank, in respect of the imported machinery of Binny Lorze Ltd., after adjusting the sale proceeds of the same, would be treated as an unsecured loan and repaid before 31.3.2003.
14. After discharging all the liabilities relating to workmen and secured creditors, both promoters and co-promoters would exchange their shares in both the companies amongst themselves so as to enable the promoter group to run Binny Limited and the Co-promoter group to run Binny Karnataka Ltd. independently.
15. The scheme takes note that the reliefs and concessions which the company had sought for from the Government of India, Government of Tamil Nadu and Government of Karnataka are under active consideration by the respective Governments.

B) The Preference and Equity shareholders of Binny Limited, for every two shares held by them would get one

**BINNY**

fully paid up share at par in the respective category, one share in Binny Limited and one share in Binny Karnataka Ltd. The Board of Directors of Binny Limited without any further act, deed or payment on a day (record date) fixed by them shall issue and allot to the Members as per their aforesaid entitlement after bifurcating the shareholdings of the shares.

While allotting shares as aforesaid, the Board of Directors shall not issue and allot to the members in respect of their fractional entitlements, odd lots and less than marketable lot of 25 shares but dispose of such fractional entitlements in the marketable lot to any person as they deem fit and distribute the net sale proceeds thereof after deducting their expenses to the shareholders in proportion to their entitlement.

The Board of Directors of Binny Limited shall ascertain the shareholders of BKL and their respective shareholdings as on the date (record date) and intimate/advise/direct BKL to issue and allot shares to such shareholders as per their entitlements without any further act or deed or payment. There after such shareholders shall be the shareholders of BKL.

Consequently, the Subscribed/paid up Equity Share Capital Rs.21,85,00,000 shall get reduced to Rs.10,92,50,000 divided into 109,25,000 shares of Rs.10 each fully paid and Preference Share Capital Rs.88,81,000 shall get reduced to Rs.44,40,500 divided into 4,44,050 shares of Rs.10 each fully paid.

After discharging all the liabilities relating to the workmen and secured creditors, both the promoters and co-promoters would exchange their shares in Binny Limited and BKL amongst themselves. The amount proposed to be brought in by the promoters Rs.7100 lakhs as unsecured loans shall be permitted to be converted into cumulative redeemable preference shares yielding a return of not more than 16.5% p.a. (net of tax benefits).

The Board brings to the notice of the members that the Scheme of demerger and consequent vesting of properties are pursuant to the provisions of SICA 1985, the scheme will be effective and operational and valid in law without any further act, deed or things on the part of the company. In view of the operation of law, notwithstanding the fact of any provisions of Companies Act, 1956, SEBI Rules and Regulations, Substantial Acquisition or any other law for the time being in force, the company will have to implement and give effect to the scheme. The members are therefore informed of the salient features of the scheme in the explanatory statement hereinabove. The orders of the BIFR made from time to time and ultimate Rehabilitation scheme sanctioned at its hearing held on 31.10.2001 are available for inspection by the members at the Registered Office during the business hours.

The Board of Directors recommend to the members to take the scheme on record for enabling the Company to implement the scheme.

The Directors shall be deemed to be interested to the extent of the shares held by them in the Company.

**Item No. 9**

Presently the company's Equity and Preference shares are listed with the Regional Stock Exchange, Chennai and other Stock Exchanges in Mumbai and Bangalore. The volume of company's shares traded in the Stock Exchange, Mumbai for the past few years is very much negligible. The percentage of shares held by the public other than promoters, co-promoters, institutions and banks in the Stock Exchange, Mumbai region is only 2.5% (approximately) which is negligible.

Considering the above facts, the Board of Directors has proposed to delist the company's shares from Stock Exchange, Mumbai in the interest of the Company. Members approval by means of Special Resolution is necessary for delisting the Company's shares from The Stock Exchange, Mumbai. The company's shares will continue to be listed in the Regional Stock Exchange, Chennai and Bangalore Stock Exchange.

The Board of Directors therefore recommend the resolutions for the approval of the Members.

None of the Directors is in any way, interested or concerned in the Resolutions.

BY ORDER OF THE BOARD

Chennai 600 001  
28th November 2001

D. KALAIYARASU  
COMPANY SECRETARY



**DIRECTORS' REPORT**

Your Directors present the Thirty Second Annual Report and Audited Accounts of the company for the year ended 31st March 2001.

**FINANCIAL RESULTS**

	<b>Rs. in lakhs</b>	
	<b>2000-2001</b>	<b>1999-2000</b>
Operating Profit/(Loss)	<b>(602.53)</b>	<b>(185.64)</b>
Interest and Finance charges	<b>1856.86</b>	<b>1313.28</b>
Loss before Depreciation & Tax	<b>(2459.39)</b>	<b>(1498.92)</b>
Depreciation	<b>140.48</b>	<b>139.05</b>
Profit/(Loss) for the year	<b>(2599.87)</b>	<b>(1637.97)</b>
Loss brought forward from previous year	<b>(18699.00)</b>	<b>(17061.03)</b>
Loss carried to Balance Sheet	<b>(21298.87)</b>	<b>(18699.00)</b>

**REVIEW OF OPERATIONS****Textiles Division****B & C Mills**

The B & C Mills continues to remain closed during the year under review also.

**B.W. Mills**

The silk looms have been working with minimum capacity and cotton fabric production has been stopped due to non-availability of adequate working capital.

**Real Estate Division**

The Board of Directors on the basis of the guidelines issued by the BIFR has finalised and recommended to the BIFR the sale of three properties for a total consideration of Rs.470.50 lakhs.

**Services Division**

The results of this division were fairly satisfactory. It could have done better but for the current economic scenario and recession prevailing in the trading sector.

**B I F R**

Members are aware that the company is under the purview of BIFR. The BIFR has finally sanctioned a scheme of rehabilitation at its hearing held on 31.10.2001. The salient features of the scheme are:

1. Binny Limited would be split into two companies viz. Binny Limited and Binny Karnataka Ltd. (a company already incorporated) with effect from 1.4.2001 after giving effect to all the reliefs and concessions mentioned in the scheme.
2. B & C Mills at Perambur, Chennai, the Services Division including Cold Storage at Cochin, Mining at Rayalacheruvu, Andhra Pradesh and the Showrooms at Chennai, Calcutta and Regional Offices at Mumbai and Delhi, together with land and buildings of the company in the State of Tamil Nadu and all current assets and liabilities together with the contributions brought in by the promoters would be retained by Binny Limited.
3. The Bangalore Mills together with land and buildings of the company in the State of Karnataka and all current assets and liabilities together with the contributions brought in by the co-promoters and the showrooms at Bangalore would be taken over by Binny Karnataka Ltd. and the shares of Binny Engineering Ltd. would also be transferred to Binny Karnataka Ltd.
4. Binny Limited would be under the charge of the promoters i.e. the Ethurajan Group. Binny Karnataka Ltd. as per the understanding reached between co-promoters group Dynamix and ETA, would be under the charge of the co-promoters ETA Group.
5. The Preference and Equity shareholders of Binny Limited, for every two shares held by them would get fully paid up share at par in the respective category, one share in Binny Limited and one share in Binny Karnataka Ltd.
6. Binny Limited would be shifting the plant location to Singaperumal Koil and run 170 looms and a processing House to process 40,000 meters of double width cloth, which is equivalent to 80,000 meters of single width cloth produced earlier.
7. After discharging all the liabilities, Binny Ltd. would start the Container Freight Station activities at B & C Mills premises.
8. Binny Karnataka Ltd. would run Bangalore Mills with 90 Piconol Looms and Silk Looms.



**BINNY**

9. Binny Engineering Ltd. would become a wholly owned subsidiary of Binny Karnataka Ltd.
10. The liabilities of Financial Institutions, State Bank of India, consortium Banks consisting of Indian Bank, Oriental Bank of Commerce, Bank of Baroda and The Federal Bank Ltd., including the Letter of Credit liabilities of Indian Bank, Debenture holders and balance liabilities payable to the workmen would be settled after taking into account the reliefs sanctioned in the scheme, as an one-time settlement within 90 days from the date of sanction of scheme.
11. Funds already brought in by the promoters and co-promoters had been utilised towards payment of dues to the workmen. Further funds are to be mobilised by way of sale of machinery, sale of properties and the profits from the sale of joint venture development properties. The promoters/co-promoters would undertake to arrange funds necessary to meet the requisite obligations viz. Rs.7100 lakhs in respect of Binny Limited and Rs.5600 lakhs in respect of Binny Karnataka Ltd. respectively.
12. After discharging the liabilities of workmen and secured creditors and implementing all other directions, the promoters shall be permitted to convert their unsecured loans into cumulative redeemable preference shares. The coupon rate for preference shares would be such that it would yield a return of not more than 16.5% p.a. after considering the tax benefits.
13. The net dues to Indian Bank in respect of the imported machinery of Binny Lorze Ltd., after adjusting the sale proceeds of the same, would be treated as an unsecured loan and repaid before 31.3.2003.
14. After discharging all the liabilities relating to workmen and secured creditors, both promoters and co-promoters would exchange their shares in both the companies amongst themselves so as to enable the promoter group to run Binny Limited and the co-promoter group to run Binny Karnataka Ltd. independently.
15. The scheme takes note that the reliefs and concessions which the company had sought for from the Government of India, Government of Tamil Nadu and Government of Karnataka are under active consideration by the respective Governments.

The Directors place on record their gratitude to the Operating Agency, financial institutions, State Bank of India, consortium Banks, consisting of Indian Bank, Oriental Bank of Commerce, Bank of Baroda and The Federal Bank Ltd., State Governments of Tamil Nadu and Karnataka and Government of India for their active involvement and assistance in the finalisation of the rehabilitation scheme.

**DIRECTORS**

Mr. M. Ethurajan, Mr. K.M. Goenka, Mr. S. Natarajan, Mr. V.R. Venkatachalam and Mr. M.E. Shanmugam retire by rotation and offer themselves for reappointment.

Mr. M. Ethurajan, Executive Chairman has, as in the past, waived his remuneration for the year ended 31st March 2001.

The Board for Industrial and Financial Reconstruction had appointed Mr. K. Kannan as a Special Director on the Board of the company with effect from 6th February 2001.

**BINNY ENGINEERING LTD.**

The Audited accounts for the year ended 31st March 2001 and other Reports of the wholly owned subsidiary company as required under Section 212 of the Companies Act 1956 are attached.

The wholly owned subsidiary company recorded loss during the year under review also for want of adequate working capital.

**Future Prospects**

Your directors propose to take speedy and effective steps to implement in its entirety the rehabilitation scheme sanctioned by the BIFR so that the company could be restored at the earliest to financial viability and look forward to a new era of growth and profitability.

**Statutory Requirements**

As per the requirements of Section 217(i)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 the information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in annexure to this report.

The particulars required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 are not applicable as none of the employees is coming under the purview of this section.

As required under Section 217(2AA) of the Companies Act, 1956 the Directors state as follows :

- i) That in the preparation of annual accounts for the financial year ended 31st March 2001, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) That the directors had selected such accounting policies and applied them consistently and made judgements 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 of the profit or loss of the company for the year under review.

- iii) That the directors had 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) That the directors had prepared the accounts for the financial year ended 31st March 2001 on a going concern basis.

#### **Cost Auditor**

As required under Section 233(B) of the Companies Act, 1956 Messrs. S. Mahadevan & Company has been appointed as the Cost Auditor to audit the cost accounts of the Textiles Division for the year ending 31st March 2002.

#### **Corporate Governance**

The Code of Corporate Governance as per the Listing Agreement should be implemented in the company not later than 31.3.2002. However, the company had already complied with most of the requirements of the Code of Corporate Governance inter alia Constituting the Audit Committee as provided in Section 292A of the Companies Act, 1956 consisting of Mr. R. Narayanan as the Chairman, Mr. K. Kannan, Mr. G. Parameswaran, Mr. S. Natarajan and Mr. M.E. Shanmugam, as members. Before the end of 31st March 2002, the company would fulfil all the other obligations as per the listing agreement with Stock Exchanges.

#### **Delisting of Securities in Mumbai Stock Exchange**

The Company's securities Equity and Preference shares are listed in the Regional Stock Exchange, Chennai, and other Stock Exchanges Mumbai and Bangalore. Considering the negligible volume of securities traded during the past few years and the shares held by the public in the Mumbai Stock Exchange region, the directors propose to delist the securities from the Stock Exchange, Mumbai during the year 2001-2002 after complying with the procedures.

#### **Auditors**

Messrs. Fraser & Ross, Chartered Accountants, retire at the conclusion of the Annual General Meeting and are eligible for reappointment.

#### **Auditors' Report**

In regard to the qualification remarks in the Auditors' Report, your directors wish to clarify as under :

3(d)(i) and 3(f) : As mentioned in para 1(i) of the Accounting policies laid down in Schedule 14, land and buildings held as stock in trade for property development are stated at market values as at 31st March 1996 and in the opinion of the directors appropriate.

3(d)(ii) to 3(d)(vi) : The position has been explained in the respective Notes on Accounts referred to in these sub-para 3(e). The unclaimed debenture stock and unclaimed interest accrued on the debentures amounting to Rs.4.48 lakhs has since been remitted to the Investor Education and Protection Fund as required under Section 205C of the Companies Act, 1956.

3(h) : The company is making endeavour to identify the creditors with respect to the Small Scale Industries.

#### **Annexure to the Auditors' Report :**

Item No. 13 - The company has since received the Cost Auditors' Report.

Item No. 14 - The company has since remitted Rs.114.18 lakhs towards Provident Fund, Employees Pension Fund and Employees State Insurance dues. The balance liability in respect of Provident Fund, Employees Pension Fund, ESI and TDS will be remitted within the period of 90 days mentioned in the BIFR Rehabilitation Scheme. The company is taking steps to remit early the current dues to the respective authorities. In respect of outstanding dues of Sales Tax and Entry tax relating to the company, these items are either under litigation or under dispute or relates to those for which reliefs/concessions are sought from the respective Governments in the rehabilitation scheme.

#### **Acknowledgements :**

Your Directors acknowledge the co-operation and assistance extended by the Government of India, Government of Tamil Nadu, Government of Karnataka, IDBI, ICICI, IFCI, State Bank of India, Indian Bank, Oriental Bank of Commerce, The Federal Bank Ltd., and Bank of Baroda and place on record their appreciation and gratitude to them. The Directors also thank the shareholders, employees, suppliers and dealers for their continued co-operation.

BY ORDER OF THE BOARD

Chennai 600 001  
30th November 2001

M. ETHURAJAN  
Executive Chairman