

CTR



2003 - 2004 ANNUAL REPORT

CTR MANUFACTURING INDUSTRIES LIMITED
REGISTERED OFFICE: NAGAR ROAD, PUNE 411014

NOTICE

Notice is hereby given that the Thirty Ninth Annual General Meeting of the members of **CTR Manufacturing Industries Limited**, will be held on Friday, 21 May 2004 at 1430 Hours (I.S.T.) at the Registered Office of the Company, at Nagar Road, Pune 411 014, to transact the following business :

ORDINARY BUSINESS

1. To receive and adopt the audited Profit and Loss Account for the year ended 31 March, 2004 and Balance Sheet as on that date together with Directors' Report and Auditors' Report thereon.
2. To appoint A.A.Bhat & Co. Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to authorise the Board of Directors of the Company to fix their remuneration.
3. To appoint a Director in place of Mr. S. M. Trehan, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. W. Henriques, who retires by rotation, and being eligible, offers himself for re-appointment.

NOTES

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting.

- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Friday 14 May 2004 to Friday 21 May 2004, both days inclusive.

By Order of the Board

A. P. Kumar
Managing Director

Mumbai, 21 April, 2004

CTR MANUFACTURING INDUSTRIES LIMITED
REGISTERED OFFICE : NAGAR ROAD, PUNE 411 014.

PROXY

I/We _____ of _____ in the
district of _____ being a member / members of CTR Manufacturing
Industries Limited hereby appoint _____ of
_____ in the district of
_____ or failing him
_____ of
_____ in the district of
_____ or failing him _____ of
_____ in the district of _____ as my /
our Proxy to vote for me / us on my / our behalf at the Annual General Meeting of the
members of the Company to be held on _____ and at any
adjournment thereof.

As witness my hand this _____ day of _____ 2004.

Signed

Affix Revenue Stamp

CTR MANUFACTURING INDUSTRIES LIMITED

ANNEXURE 1 TO NOTES ON ACCOUNTS

DISCLOSURE IN TERMS OF ACCOUNTING STANDARD 18 ON RELATED PARTY DISCLOSURE FOR THE YEAR 2003-2004

RUPEES' THOUSANDS

SR. NR.	RELATED PARTY NAME	RELATION WITH PARTY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION	OUTSTANDING AS ON 31.3.2004		PROVISION FOR DOUBTFUL DEBTS	AMOUNT WRITTEN OFF	AMOUNT WRITTEN BACK
					DEBIT	CREDIT			
1	2	3	4	5	6		7	8	9
A	Crompton Greaves Ltd	Holding	Sales	82,279	21,993	-	NIL	77.47	NIL
B	Crompton Greaves Ltd	Holding	Purchases	235	-	20	NIL	NIL	NIL
C	Crompton Greaves Ltd	Holding	Repayment of Advances	-	-	-	NIL	NIL	NIL
D	Crompton Greaves Ltd	Holding	Inter Corporate Deposit (ICD)	-	-	-	NIL	NIL	NIL
E	Crompton Greaves Ltd	Holding	Interest on ICD	2,281	-	-	NIL	NIL	NIL
F	CG-PPI Adhesive Products Ltd.	Fellow subsidiary	Purchases	NIL	NIL	NIL	NIL	NIL	NIL
G	Mr. A.P.Kumar	Managing Director	Remuneration	1,207	NIL	NIL	NIL	NIL	NIL
H	Mrs. P. Kumar	Wife of MD	Rent	90	NIL	NIL	NIL	NIL	NIL
I	Greenoaks Poultry Farm	MD as Partner	N.A.	NIL	NIL	NIL	NIL	NIL	NIL

CTR MANUFACTURING INDUSTRIES LIMITED

ANNEXURE 2 TO NOTES ON ACCOUNTS SEGMENT DISCLOSURE

(Rupees' Thousands)

I.	Primary Segments of Business	Fire System	Tapchanger	Electronics	Others	Total
a	Segment Revenue					
	Sales to external customers	62,567	171,414	78,898	46,716	359,594
	Total Revenue	62,567	171,414	78,898	46,716	359,594
b	Segment Result (PBIT)	13,389	20,727	12,043	(17,021)	29,137
	ADD : Unallocable Income					228
	LESS : Unallocated Expenses					18,799
	Profit before Tax					10,566
	Provision for Current Tax					6,800
	Provision for Deferred Tax					(4,865)
	Profit After Tax					8,631
c	Carrying amount of Segment Assets	44,834	97,240	85,127	29,919	257,120
	Unallocated Assets					(23,038)
	Total Assets					234,082
d	Carrying amount of Segment Liabilities	12,622	55,718	29,402	12,746	110,487
	Unallocated Liabilities					50,100
	Total Liabilities					160,587
e	Cost incurred to acquire fixed assets	98	404	1,050	772	2,324
f	Depreciation / Amortisation	110	2,852	4,718	1,442	9,122
II. Secondary Segments - Geographical The Company's Operating facilities are located in India. <div> Domestic Revenue <div>359,784</div> </div> <div> Export Revenue <div>38</div> </div> <div> Total <div>359,822</div> </div>						

CTR MANUFACTURING INDUSTRIES LIMITED

ANNEXURE 3 TO NOTES ON ACCOUNTS

DISCLOSURE OF LOANS / ADVANCES AND INVESTMENTS IN ITS OWN SHARES IN TERMS OF CLAUSE 32 OF LISTING AGREEMENT OF THE STOCK EXCHANGE, MUMBAI FOR THE YEAR 2003-2004

(Rs. In Lacs)

SR. NR.	NATURE OF TRANSACTION	Crompton Greaves Ltd	CG-PPI Adhesive Products Ltd.	Mr. A.P. Kumar	Mrs. P. Kumar	Greenoaks Poultry Farm
1	Loans and Advances in the nature of loans from parent company	NIL	NIL	NIL	NIL	NIL
2	Loans and Advances in the nature of loans to parent company	NIL	NIL	NIL	NIL	NIL
3	Loans and Advances in the nature of loans from associates	NIL	NIL	NIL	NIL	NIL
4	Loans and Advances in the nature of loans to associates	NIL	NIL	NIL	NIL	NIL
5	Loans and Advances in the nature of loans where there is no repayment schedule or repayment beyond 7 years.	NIL	NIL	NIL	NIL	NIL
6	Loans and Advances in the nature of loans where there is no interest or interest below Section 372A of Companies Act.	NIL	NIL	NIL	NIL	NIL
7	Loans and Advances in the nature of loans to firms/companies in which Directors are interested.	NIL	NIL	NIL	NIL	NIL

The Company do not have any subsidiary.



MANUFACTURING INDUSTRIES LIMITED

REPORT AND ACCOUNTS FOR 2003-2004

BOARD OF DIRECTORS

Mr. B. R. Jaju	Chairman
Mr. A. P. Kumar	Managing Director
Mr. S. M. Trehan	
Mr. W. Henriques	

COMPANY SECRETARY

Mr. K. S. Koparkar

REGISTERED OFFICE

Nagar Road, Pune - 411 014.

AUDITORS

A. A. Bhat & Co.

BANKERS

Bank of Maharashtra

Canara Bank

REGISTRAR AND TRANSFER AGENT

Sharepro Services

Sata House, 3rd Floor,

Above Bank of Baroda, Cardinal Gracious Road,

Chakala, Andheri(East), Mumbai 400 099.

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2004

To,
The Members,

Your Directors present their Report together with the Audited Balance Sheet as at 31st March 2004 and the Profit and Loss Account for the year ended on that date:

FINANCIAL RESULTS

Particulars	Year Ended 31.3.2004 Rs.	Year Ended 31.3.2003 Rs.
(a) Gross Sales / Income	359,821,877	287,010,037
(b) Less: Excise Duty	45,425,703	39,841,482
	314,396,174	247,168,545
(c) PROFIT BEFORE TAX	10,565,966	7,795,920
(d) Less : Provision For Current Year Tax	6,800,000	3,900,000
(e) (Add) / Less : Provision For Deferred Tax	(4,865,100)	715,013
(f) PROFIT AFTER TAX	8,631,066	3,170,937
(g) Balance brought forward from previous year	16,644,051	13,473,144
(h) BALANCE CARRIED TO BALANCE SHEET	25,275,117	16,644,051

PRODUCTION, SALES AND TRADING RESULTS

During the year under review, gross sales / income increased from Rs.28.70 crores to Rs.35.98 crores. Also due to cost cutting measures, profitability could be increased to Rs.1.06 crores compared to Rs. 0.78 crores of the previous year.

OUTLOOK

It is envisaged that your Company will continue to register increased invoicing during the year on account of improved working of transformer manufacturers, who constitute the majority of customers. However, intensified competition could squeeze profitability.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EARNINGS AND OUTGO

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the prescribed format as an Annexure to this Report.

DIRECTORS

Mr. S. M. Trehan and Mr. W. Henriques retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES

The Company does not have any employee who was in receipt of remuneration aggregating to the sum prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2002.

INDUSTRIAL RELATIONS

Industrial and Employee relations continued to be normal during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review conform in their entirety to the requirements of the Companies Act, 1956.

The Directors confirm that:

- ✧ the Annual Accounts have been prepared in conformity with the applicable Accounting Standards;
- ✧ the Accounting Policies selected and applied on a consistent basis, give a true and fair view of the affairs of the Company for the financial year and of the profit for the year;
- ✧ sufficient care has been taken that adequate accounting records have been maintained for safeguarding the assets of the Company, and for prevention and detection of fraud and other irregularities;
- ✧ the Annual Accounts have been prepared on a 'going concern basis'.

AUDITORS

During the year Khimji Kunverji & Company, one of the Company's joint auditor's expressed their inability to continue as auditors of the Company due to preoccupation and tendered their resignation. The Board places on record its appreciation of the valuable services rendered to the Company by Khimji Kunverji & Company during their tenure as auditors. The remaining auditor A. A. Bhat & Company hold office up to the conclusion of the ensuing Annual General Meeting, and being eligible, are recommended for re-appointment on the terms to be finalised by the Board of Directors. They have furnished the requisite certificate to the effect that their re-appointment, if effected, would be in accordance with Section 224(1B) of the Companies Act, 1956.

LISTING AGREEMENT

The Company's equity shares are listed on The Stock Exchange, Mumbai (BSE) and the necessary listing fees have been paid up to date. The Company is in process of getting it's Equity shares delisted from BSE.

On behalf of the Board of Directors

A. P. Kumar
Managing Director

B. R. Jaju
Chairman

Mumbai, 21st April, 2004

ANNEXURE TO DIRECTORS' REPORT
Under Section 217(1)(e) of the Companies Act, 1956

A CONSERVATION OF ENERGY

FORM A

- | | | | |
|----|--|---|---|
| a) | Energy conservation measures | : | Installation of automatic power factor correction capacitor switch at the Aurangabad factory. Installation of further compact fluorescent lamp fittings at the Pune factory. Maximum demand controller fitting at the Aurangabad factory. |
| b) | Additional investments & proposals; if any, being implemented for reduction of consumption of energy | : | Installation of automatic power factor correction switch at the Pune factory. Also installation of Maximum demand controller at the Aurangabad factory. |
| c) | Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods | : | Cost savings of Rs.4.24 lacs during the year despite increase in activity level. Impact on cost of production is negligible. |

B TECHNOLOGY ABSORPTION

FORM B

RESEARCH AND DEVELOPMENT (R & D)

- | | | | |
|----|---|---|--|
| 1. | Specific areas in which R & D is carried out by the Company | : | Plastic film capacitor cost reduction; Intank Tapchanger
Indigenisation; Fire System Indigenisation |
| 2. | Benefits derived as a result of the above R & D | : | Improvement in market share |
| 3. | Future plan of action | : | Enhance product reliability |
| 4. | Expenditure on R & D | : | 31 March, 2004
Rs. In Lacs |
| | i. Capital | : | NIL |
| | ii. Recurring | : | 9.68 |
| | iii. Total | : | 9.68 |
| | iv. Total R & D Expenditure as a percentage of total turnover | : | 0.27 |

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- | | | | |
|----|--|---|----------------|
| 1. | Efforts, in brief, made towards technology absorption, adaptation and innovation | : | Not Applicable |
| 2. | Benefits derived as a result of the above efforts | : | Not Applicable |
| 3. | a. Imported Technology | : | Not Applicable |
| | b. Year of Import | : | Not Applicable |