



**17th ANNUAL REPORT
2003 - 2004**

CHROMATIC INDIA LIMITED

Board of Directors

S. K. Sengupta.	:	(Director)
M. S. Vartak.	:	(Director)
A. W. Palekar.	:	(Director)
K. R. Kamath.	:	(Exe. Director)
Lt. Col. M. K. Sengupta (Retd.)	:	(Exe. Director)

Auditors : M/s Haribhakti & Co.
Chartered Accountants

Banker : Bank of India

Registrar & Share Transfer Agents : M/s. Big Share Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai - 400 072.

Tel. No. : 2852 3474 & 2856 0652 / 53

Registered Office : 207, Vardhaman Complex Premises Co.op. Society Ltd.,
L.B.S. Marg, Vikhroli (W),
Mumbai - 400 083.
Tel. No. 2579 3367 / 45

Works : B-12/2, Lote Parshuram Ind. Area,
Taluka : Khed,
Dist. : Ratnagiri.

CHROMATIC INDIA LTD.

CHROMATIC INDIA LIMITED

207, Vardhaman Complex Premises Co.op. Society Ltd., Fitwell Compound, L.B.S. Marg, Vikhroli (W), Mumbai -83.

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Members of Chromatic India Limited will be held at 207, Vardhaman Service Ind. Estate, Fitwell Compound, L.B.S. Marg, Vikhroli (W), Mumbai - 400 083, on Thursday 30th day of September - 2004 at 4.00 p.m. to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2004 and the Profit and Loss Account for the year ended on that date along with the Director's report and Auditors' report thereon.
2. To appoint a Director in place of Mr. S. K. Sengupta, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. A. W. Palekar, 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 through fit to pass with or without modification, the following resolution as an ordinary resolution.

"Resolved that pursuant to provision of sections 198, 269, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956 approval of the Company be and is hereby accorded to the appointment of Mr. K. R. Kamath as Executive Director of the Company, liable to retirement by rotation, for period of five years from 01.09.2004 to discharge such responsibilities and functions as may be assigned by the Board from time to time and to act subject to superintendence, control and direction of the Board on the following remuneration.

1) Salary : Rs. 40,000/- per month

2) Perquisites :

(a) Medical Expenses Re-imbursement :

Rs. 15,000/- p.a. towards medical expenses incurred for self and family, as per other rules applicable to Senior Executives.

(b) Leave Travel Assistance :

Rs. 15,000/- p.a. for self and family, as per other rules applicable to Senior Executives.

(c) Fees for club :

Reimbursement of expenses towards fees of two clubs excluding admission and life membership fees.

(d) Insurance :

Reimbursement of premium towards mediclaim policy, limited to Rs. 4,000/- per annum.

(e) Provident Fund:

Contribution to Provident Fund at 12% of Salary or any other rate applicable from time to time.

(f) Gratuity :

At a rate not exceeding half months salary for each completed years of service rendered.

(g) Car and Telephone :

Provision of car and telephone at residence for official duties. Long distance personal calls are excluded.

The above remuneration shall be minimum remuneration."

6. To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution.
"Resolved that pursuant to provisions of sections 198, 269, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956 approval of the Company be and is hereby accorded to the appointment of Lt.Col. M.K. Sengupta (Retd.) as Executive Director of the Company, liable to retirement by rotation, for period of five years from 01.09.2004 to discharge such responsibilities and functions as may be assigned by the Board from time to time and to act subject to superintendence, control and direction of the Board on the following remuneration.

- 1) Salary : Rs. 40,000/- per month
- 2) Perquisites :
- (h) Medical Expenses Re-imbursement :
Rs. 15,000/- p.a. towards medical expenses incurred for self and family, as per other rules applicable to Senior Executives.
- (i) Leave Travel Assistance :
Rs. 15,000/- p.a. for self and family, as per other rules applicable to Senior Executives of the Company.
- (j) Fees for club :
Reimbursement of expenses towards fees of two clubs excluding admission and life membership fees.
- (k) Insurance :
Reimbursement of premium towards mediclaim policy, limited to Rs. 4,000/- per annum.
- (l) Provident Fund :
Contribution to Provident Fund at 12% of Salary or any other rate applicable from time to time.
- (m) Gratuity :
At a rate not exceeding half months salary for each completed years of service rendered.
- (n) Car and Telephone :
Provision of car and telephone at residence for official duties. Long distance personal calls are excluded.

The above remuneration shall be minimum remuneration."

By order of the Board of Directors
For Chromatic India Ltd.

Place : Mumbai
Date : 02/09/2004

K. R. Kamath
Exe. Director

- Notes :
- 1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her behalf and the proxy need not be a member of the company.
 - 2) Instrument appointing proxy must be deposited at the registered office of the company at least forty eight hours before the time fixed for the annual general meeting.
 - 3) The share transfer books and the register of members of the company will remain closed on 30th September - 2004.
 - 4) Members are requested to inform the company regarding any change of address.
 - 5) The explanatory statment in respect of special business is annexed.

Explanatory Statement Items 5 and 6

The term of appointment of Mr. K. R. Kamath and Lt.Col. M. K. Sengupta (Retd.) as Executive Directors expired on 31.08.2004 Accordingly at the meeting of Board of Directors held on 29.07.2004, Mr. K.R. Kamath and Lt.Col. M. K. Sengupta (Retd.) were appointed as Executive Directors for period of 5 years w.e.f. 01.09.2004, on the terms and conditions including remuneration as mentioned in the resolutions under the above items. Their appointment and remuneration are subject to approval of the Shareholders. Hence the resolutions. The remuneration committee has approved the remuneration.

None of the directors is interested in the said resolutions except concerned directors themselves and Mr. S. K. Sengupta as relative of Lt.Col. M. K. Sengupta (Retd.).

By order of the Board of Directors
For Chromatic India Ltd.

Place : Mumbai
Date : 02/09/2004

K. R. Kamath
Exe. Director

CHROMATIC INDIA LTD.

CHROMATIC INDIA LIMITED

207, Vardhaman Complex Premises Co.op. Society Ltd., Fitwell Compound, L.B.S. Marg, Vikhroli (W), Mumbai -83.

DIRECTOR'S REPORT

To the shareholders,

Your Directors have pleasure in presenting their 17th Annual Report together with the Audited Accounts for the year ended 31st March, 2004.

1 Financial Results :

	2003 - 2004 (Rs.)	2002 - 2003 (Rs.)
Profit/(Loss) for the year	6,680,236	(5,692,945)
Prior period adjustments	6,077	(903,211)
Deferred Tax adjustment	328,006	178,856
Current Income Tax	(400,000)	
Profit / (Loss) after tax	6,614,319	(6,417,300)
Balance brought forward	(815,961)	1,410,261
Amount available for appropriation	<u>5,798,358</u>	<u>(5,007,040)</u>
Appropriations :		
Transfer to general reserve		<u>(4,191,077)</u>
Surplus Carried Forward	<u>5,798,358</u>	<u>(815,961)</u>

2. **Operations :** The turnover for the year under review has increased by 12.65% to Rs. 1031.19 (lacs) compared to earlier year turnover of Rs. 915.41 (lacs). The Company has made profits during the year due to increase in turnover, reduction in costs and better product mix.

3. **Auditors Observation :** The notes to the accounts adequately dealt with Auditors observations / comments.

4. **Directors :** Mr. S. K. Sengupta and Mr. A.W. Palekar retire by rotation at the ensuing AGM and being eligible offer themselves for reappointments. The necessary resolutions for the approval of the share holder to the appointment of and remunerations to Mr. K. R. Kamath and Lt.Col. M. K. Sengupta (Retd.) are included in the notice of AGM.

5. **Auditors :** M/s. Haribhakti & Co. - Chartered Accounts, Statutory Auditor of the company will retire at the conclusion of this annual general meeting and being eligible offer themselves for re-appointment. Necessary certificates under section 224 (1-B) of the Companies Act, 1956 has been received from the auditors.

6. **Subsidiary :** In compliance with the requirement of section 212 of the Companies Act, 1956 the Balance Sheet, Profit & Loss Account, report of the Board of Directors and the auditors report relating to the Blue Rock Dyes & Chemicals Limited & Arcoiris SA which are subsidiary of the Company are appended herewith.

7. **Conservation of Energy, Technology Absorption & Foreign Earnings and Outgo :** Information in accordance with the provision of section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rule 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are as per annexure-A and forms part of this report.

8. **Particulars of employees :** There are no employees drawing remuneration beyond prescribed amount requiring disclosure under section 217 (2A) of the companies Act. 1956.

9. **Insurance :** All the insurable interest of the Company including Inventories, Building, Plant and Machinery are adequately insured.

10. **Listing Status :** Company's equity shares are listed with (1) the Stock Exchange Mumbai & (2) The Stock Exchange - Ahmedabad. Annual listing fees for the year 2003-2004 is paid by the company in time.

11. **Demat :** Equity Shares of your Company are available for dematerialisation w.e.f. 10th January, 2001. Relevant ISIN No. is INE662C01015

12. Directors Responsibility :

- In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- Appropriate accounting policies have been selected and applied them consistently and Directors have made judgements and estimates that are reasonable and prudent so as to give a true & fair view of the states of affairs of the Company as at 31st March, 2004 and of the profit and loss of the company for that period.
- Proper and sufficient care has been taken 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.
- The accounts have been prepared on going concern basis.

13. **Acknowledgement :** Your Directors wish to place on record their sincere appreciation to the Govt. of Maharashtra, MSEB, MPCB, MTNL, BSSE, Company's customers, suppliers, Bankers and Shreholders for their valuable guidance and support through the year.

By order of the Board of Directors
For. Chromatic India Ltd.

Place : Mumbai
Date : 02/09/2004

K R. Kamath
(Executive Director)

Annexure 'A' to Director's Reptot

Particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. Conservation of Energy**(a) Energy conservation measures taken :**

No fresh measures to conserve the energy taken up during the year. As a result no additional Investment incurred on this account and measures taken in the earlier years is continuing.

(b) Total energy consumption & energy consumption per unit of production (as per form - A annexed hereto).**B. Technology Absorption :**

Efforts made on technology absorption are as per Form - B annexed hereto.

C. Foreign exchange earnings and outgo :

Rs. (Lakhs)

Foreing exchange earned

905.33

Foreing exchange used

107.76

FORM - A**(See Rule 2)**

Form for disclosure of particulars with respect to conservation of energy

A. Power and fuel consumption

1. Electricity	Current Year	Previous Years
(a) Purchased		
Unit (k.w.h.)	567830	603334
Total amount (Rs.)	2197336	2502940
Rate per unit (Rs.)	3.87	4.15
2. Furnace Oil		
Quantity (K. Ltrs)	413040	376015
Total amount (Rs)	5791224	5264210
Average rate (Rs.)	14020.97	14000.00
3. Light diesel Oil		
Quantity (K. Ltrs.)	31141	26712
Total Amount (Rs.)	610335	480816
Average rate (Rs.)	19599.08	18000.00
B. Consumption per unit of Production :	Current Year	Previous Years
Production Unit (In Metric Ton)	569.303	531765
Electricity	0.997	1.134
Furnace Oil	0.709	0.707
Light diesel Oil	0.036	0.050

Reasons for variation in the consumption of Power & Fuel from the previous year :

Lower consumption of power per unit of production is mainly due to the production efficiency. Lower consumption of L.D.O. per unit of production is on account of burning of small spray dryer by furnace oil instead of L.D.O. and same is the reason for slightly higher consumption of furnace oil per unit of production.

FORM - B**(See Rule - 2)**

(Form for disclosure of particulars with respect to absorption)

Research and Development (R & D)

- Research and development in the area of new value added products is continuing.
- As a result of last years R & D efforts the new products are already running in the market.

AUDITORS' REPORT

TO THE MEMBERS OF CHROMATIC INDIA LIMITED

CHROMATIC INDIA LTD.

We have audited the attached Balance Sheet of **CHROMATIC INDIA LIMITED**, as at 31st March, 2004 and the Profit & Loss Account and also cash flow statements of the company for the year ended on that 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. And audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as under :

- I. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms sub-section (4A) of Section 227 of The Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
- II. Further to our comments in the Annexure referred to in paragraph I above :
 - a) We have obtained all the information and explanation 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 Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent they are applicable to the Company, except as mentioned in Note No. 1 (A) regarding non-compliance with Accounting Standard 15 on 'Accounting for Retirement Benefits in Financial Statements of Employers.'
 - e) On the basis of written representations received from the Directors of the Company as on 31st March, 2004, and taken on record by the Board of Directors of the Company, we report that none of the Directors is disqualified as on 31st March, 2004 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of information and according to the explanations given to us, the said accounts give the information required by Companies Act, 1956 in the manner so required.
 - g) Subject to
 - i) Note no.3 regarding non confirmation of balances in respect of advances recoverable in cash or in kind and of amounts due from/to sundry debtors / sundry creditors.
 - ii) Note no.4 regarding amount due on bills discounted of Rs. 101.68 lacs, which appears to be fully not recoverable.
 - iii) Note no. 5 regarding amount due on bills discounted of Rs. 168 lacs, which is subject to confirmation.

We are unable to comment on the resulting effect of our observations in paragraph (g) above on relevant assets, liabilities and on profit for the year. Subject to this, the said accounts give a true and fair view in conformity with the accounting policies generally accepted in India :

- i) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004 and
- ii) In case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
- iii) In case of Cash Flow statement, of the cash flows of the Company for the year ended on that date.

FOR HARIBHAKTI & CO.
CHARTERED ACCOUNTANTS.

Place : Mumbai
Date : 02/09/2004

CHETAN DESAI
Partner

ANNEXURE REFERRED TO IN PARAGRAPH I OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CHROMATIC INDIA LIMITED

Fixed Assets:

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

CHROMATIC INDIA LTD.

2. We are informed that these assets have been physically verified by the Management at reasonable intervals, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies was noticed on such verification.
3. During the year, the Company has not disposed off a major part of the plant and machinery.

INVENTORIES:

4. We are informed that the Management has physically verified the stocks of stores, spares, raw materials and finished goods during the year. In our opinion, the frequency of verification is reasonable.
5. The procedures for physical verification of inventories followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.
6. On the basis of our examination of the records of the Company, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical and book records were not material.

Related party transactions:

7. The company has neither taken nor given loans or advances in the nature of loans from / to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
8. In our opinion and according to the information and explanations given to us, the transactions that need to be entered onto a register in pursuance of section 301 of the Companies Act, 1956 have been so entered.
9. Each of these transactions are made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

Internal Controls:

10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for sale of goods. During the course of audit, no major weakness has been noticed in the internal controls.
11. The Company has an adequate internal audit system commensurate with its size and nature of its business.

Deposits:

12. The Company has not accepted any deposits from the 'public' to which the provisions of section 58A and section 58AA of the Companies Act, 1956, and the rules framed thereunder apply.

Taxation:

13. The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, ESIC dues, Investor Education and Protection Fund, Income tax, Sales tax, Wealth tax, Excise duty and other statutory dues, if any, applicable to it.
14. According to the information and explanations given to us, there were no dues of Income tax, custom duty, wealth tax, excise duty and sales tax that have not been deposited on account of any dispute except as mentioned below:

Name of the statute	Amount (Rs)	Forum where dispute is pending
Income Tax Act Assessment Year 1996-97, 97-98, 1999-00, 2000-01	44,64,802	Income Tax Appellate Tribunal

MISCELLANEOUS:

15. We are informed that the Central Government has prescribed the maintenance of cost records by the Company under section 209(1)(d) of the Companies Act, 1956. We are of the opinion that, prima facie, the prescribed accounts and records are being made and maintained. However, we have not made detailed examination of the records with a view to determine whether they are accurate and complete.
16. The Company neither has accumulated losses as at 31st March, 2004 nor it has incurred cash losses during the financial year covered by our audit. However, it had incurred cash losses in the immediately preceding financial year.
17. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
18. Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
19. The Company has not dealt or traded in shares, securities, debentures, or other investments during the year.
20. The company has not given guarantees for loans taken by others from banks or financial institutions.
21. Based on our examination of the balance sheet of the company as at March 31, 2004 on an overall basis and as per the information and explanation given to us, we find that the funds raised on long term basis amounting to Rs 92.52 lacs were utilized for short term purpose.
22. The company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
23. During the period covered by our audit report, the company has not issued any debentures for which security needs to be created.
24. The Company has not raised any money by public issue during the year.
25. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

FOR HARIBHAKTI & CO.
CHARTERED ACCOUNTANTS

Place : Mumbai

Date : 02/09/2004

CHETAN DESAI
Partner

CHROMATIC INDIA LTD.

CHROMATIC INDIA LTD.***BALANCE SHEET AS AT MARCH 31,2004***

	Schedule No.	As at 31-03-04 (Rupees)	As at 31-03-03 (Rupees)
SOURCES OF FUNDS			
1. SHARE HOLDERS' FUNDS			
a) Share Capital	1	26,993,500	26,993,500
b) Reserves & Surplus	2	<u>62,600,858</u>	<u>56,802,500</u>
		89,594,358	83,796,000
2. LOAN FUNDS			
a) Secured Loans	3	15,894,383	8,330,967
3. DEFERRED TAX LIABILITY (NET)		<u>2,950,865</u>	<u>2,278,871</u>
TOTAL		<u>18,845,248</u>	<u>11,609,838</u>
		<u>108,439,606</u>	<u>95,405,838</u>
APPLICATION OF FUNDS			
4. FIXED ASSETS	4		
a) Gross Block		58,256,674	57,778,613
b) Depreciation		<u>35,716,661</u>	<u>31,457,314</u>
c) Net Block		<u>22,540,013</u>	<u>26,321,299</u>
5. INVESTMENTS	5	14,521,310	14,521,310
6. CURRENT ASSETS, LOANS AND ADVANCES	6		
a) Inventories		16,607,480	15,138,120
b) Sundry Debtors		20,069,222	9,310,198
c) Cash and Bank Balances		5,519,967	3,629,559
d) Other Current Assets		7,415,437	7,064,941
e) Loans and Advances		<u>40,685,766</u>	<u>38,092,421</u>
		<u>90,297,873</u>	<u>73,235,239</u>
7. CURRENT LIABILITIES AND PROVISIONS			
a) Liabilities	7	16,819,588	20,123,760
b) Provisions	8	<u>2,100,000</u>	<u>1,700,000</u>
		<u>18,919,588</u>	<u>21,823,760</u>
8. NET CURRENT ASSETS		1,378,283	51,411,478
9. MISCELLANEOUS EXPENDITURE	9		
(To the extent not written off or adjusted			
Deferred rev. exp./public issue exp.		-	2,335,792
11. PROFIT AND LOSS ACCOUNT	10	-	<u>815,961</u>
TOTAL		<u>108,439,606</u>	<u>95,405,838</u>
NOTES TO ACCOUNTS	18		

The Schedules referred to above form an integral part of the Balance Sheet As per our attached report of even date
For Haribhakti & Co.
Chartered Accountants

CHETAN DESAI
Partner

MR. K. R. KAMATH
Exe. Director

MR. L. COL. M. K. SENGUPTA (RETD)
Exe. Director

Place : Mumbai
Date : 02/09/2004

MR. M. S. VARTAK
Director

MR. A. W. PALEKAR
Director

CHROMATIC INDIA LTD.**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2004**

INCOME	Schedule No.	2003-04 (Rupees)	2002-03 (Rupees)
Sales			91,541,024
Sales of Raw Materials			—
			91,541,024
Less : Excise duty paid		94,162,691	8,930,074
Other Income	11	15,269,193	13,862,838
Increase / (Decrease) in stock	12	(2,590,773)	4,329,084
TOTAL		106,841,110	100,802,872
EXPENDITURE			
Raw Materials consumed	13	67,263,502	76,691,133
Purchase for Resale		64,595	12,854,300
Employee's Remuneration and Benefits	14	6,138,100	6,032,400
Expenses	15	19,966,376	17,899,035
Interest and Bank Charges	16	2,468,953	1,529,296
Depreciation		4,259,348	4,215,410
TOTAL		100,160,875	1,06,495,817
PROFIT / (LOSS) FOR THE YEAR		6,680,236	(5,692,945)
Adjustment in respect of prior years.	17	6,077	903,211
PROFIT / (LOSS) BEFORE TAX		6,686,313	(6,596,156)
Deferred Tax Adjustment		328,006	178,856
Current Income Tax		(400,000)	—
PROFIT / (LOSS) AFTER TAX		6,614,319	(6,417,300)
Balance brought forward		(815,961)	1,410,261
AMOUNT AVAILABLE FOR APPROPRIATION		5,798,358	(5,007,040)
APPROPRIATIONS :			
Proposed Dividend		0	0
Interim Dividend Paid		0	0
Provision for Tax on dividend distribution		0	0
Transfer to General Reserve		0	(4,191,077)
Surplus carried forward		5,798,358	(815,961)
TOTAL		5,798,358	(815,961)
Earning Per Share (Rs.)		2.20	(2.14)
NOTES TO ACCOUNTS	18		

The Schedules referred to above form an integral part of the Profit & Loss Account.

As per our attached report of even date

For Haribhakti & Co.
Chartered Accountants

For and on behalf of the board

CHETAN DESAI
PartnerMR. K. R. KAMATH
Exe. DirectorLT. COL. M. K. SENGUPTA (RETD)
Exe. DirectorPlace : Mumbai
Date : 02/09/2004MR. M. S. VARTAK
DirectorMR. A. W. PALEKAR
Director