

CITY LIFTS (INDIA) LIMITED



16TH ANNUAL REPORT 2001-02

For CITY LIFTS (INDIA) LTD.

A handwritten signature in black ink, appearing to be 'M. S. S.', is written over the printed name of the Director.

DIRECTOR.

BOARD OF DIRECTORS :	Mr. V. Rajgopalan - Managing Director Mr. Navin Rajgopalan- Wholetime Director Mr. Rajesh P. Joshi - Director
REGISTERED OFFICE & WORKS :	Plot No. B-74, Road 33, Wagle Industrial Estate, Thane – 400 604.
CORPORATE OFFICE :	301/A, 3 rd Floor, Patel Terrace Pump House, Jija Mata Marg, Andheri (East), MUMBAI – 400 093.
SHARE TRANSFER AGENT :	Sharex (India) Pvt. Ltd. 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai-400 001.
AUDITORS :	Suvarna, Gurav & Associates, Chartered Accountants, MUMBAI – 400 057.
BANKERS :	Bank of India Veerashaiva Co-op. Bank
BRANCHES :	301, Saikiran Apartments, Dharam Karam Road, 7-1-53/1, Ameerpeth, HYDERABAD – 500 016.

C/o. Pramod Khanke
Near Chandra Chhaya Mangal Karyalaya,
Tukum, CHANDRAPUR – 442 401.

C/o. P.R.G. Enterprises,
Shop No. S 29, Block IV,
Ganga Shopping Centre, Sector 29,
NOIDA-201 301.

For (CITY LIFTS (INDIA) LTD.



Director.

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Shareholders of CITY LIFTS (INDIA) LIMITED will be held on Monday, the 30th day of September, 2002 at 11.00 a.m. at Plot No. B-74, Road No. 33, Wagle Industrial Estate, Thane-400 604 to transact the following business:

1. To consider and adopt the Audited Accounts of the Company for the year ended on 31st March, 2002, the Balance Sheet of the Company as at 31st March, 2002 and the Report of the Board of Directors and Auditors' Report.
2. To appoint a Director in place of Mr. Rajesh P. Joshi, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to authorize the Board of Directors to fix their remuneration.

Registered Office:
Plot No. B-74, Road No. 33,
Wagle Industrial Estate,
THANE-400 604.

By Order of the Board,
For CITY LIFTS (INDIA) LTD.

Dated: 1st September, 2002
Place: THANE

V. RAJAGOPALAN
Managing Director.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and Share Transfer Books of the Companies will remain closed from the 24th September, 2002 till Monday, the 30th September, 2002 (both days inclusive).
3. Members are requested to notify their change of address to the Company's Registrar and Share Transfer Agent M/s. Sharex (India) Private Limited, Dena Bank Building 2nd Floor, Horniman Circle, Fort, Mumbai-400 001.

For CITY LIFTS (INDIA) LTD.



DIRECTOR.

CITY LIFTS (INDIA) LIMITED

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DIRECTORS' REPORT

To,
The Members,

The Directors are pleased to present the 16th Annual Report with Audited Statement of Accounts for the year ended 31st March, 2002.

ACCOUNTS AND FINANCIAL RESULTS:

	Year ended 31-03-2002	(Rs. in Lacs) Year ended 31-03-2001
	-----	-----
Income	263.01	185.16
Less: Expenditure	261.93	196.34
Profit/(Loss) before Taxation	1.08	(11.17)
Add: Deferred Tax (Assets)	0.57	-
Less: Provision for Taxation	-	-
Profit/(Loss) after Taxation	1.65	(11.17)
Less: Prior Period Adjustments	(7.69)	(3.08)
Add: Balance Brought Forward	(78.84)	(64.58)
Balance Carried Forward	(84.88)	(78.84)

DIVIDEND:

Your Directors have not recommended any dividend for the year under review.

OPERATIONS:

During the year under review sales and other income has gone up to Rs. 263.01 lacs against Rs. 185.16 lacs in the previous year.

In the current year some sign of improvement is seen in the construction industry and in market conditions. The Directors are hopeful to achieve turnover exceeding Rs. 350 lacs during the current year.

DIRECTORS:

Shri Rajesh P. Joshi retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

AUDITORS:

M/s. Suvama, Gurav & Associates, Chartered Accountants, Mumbai retire and being eligible for reappointment have offered themselves for reappointment.

CITY LIFTS (INDIA) LIMITED**ANNUAL REPORT 2001-2002****DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, the Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) appropriate accounting policies have been selected and applied consistently and have 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 as at March 31, 2002 and of the loss of the Company for the year ended March 31, 2002;
- (c) proper and sufficient care has been taken for 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;
- (d) the annual accounts have been prepared on a going concern basis.

FIXED DEPOSITS:

The Company has not accepted any Fixed Deposits from the public.

PARTICULARS OF EMPLOYEES:

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 are not given as none of the employees is in receipt of requisite remuneration.


FOREIGN EXCHANGE EARNINGS AND OUTGO:

As required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 the information relating to conservation of energy, technology absorption and foreign exchange earning and outgo is annexed.

By Order of the Board,
For CITY LIFTS (INDIA) LTD.

Dated: 01st September, 2002
Place: THANE

V. RAJAGOPALAN
Managing Director.
For CITY LIFTS (INDIA) LTD.


DIRECTOR.

ANNEXURE TO DIRECTORS' REPORT

The Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

(A) CONSERVATION OF ENERGY

(a) Energy Conservation measures taken:

The Company's operations involve low energy consumption. However, following conservation measures have been implemented.

1. The use of natural light enhanced by providing glass skylight.
2. Use of energy efficient sodium vapour lamps in place of mercury vapour lamps and fluorescent tubes.

(b) Additional Investment and proposals, if any being implemented for reduction in consumption of energy : Not Applicable.

(c) Impact of the measure at (a) & (b) above for reduction in consumption of energy:

(B) TECHNOLOGY ABSORPTION

FORM B

FORM for disclosure with respect to Technology Absorption.

Research and Development (R & D)

1. Specific areas in which R & D is carried out - Elevator

2. Benefits derived as a result of R & D:

1. Introduction of new products
2. Improvement in overall performance, reliability, serviceability, and safety of the existing products.
3. Cost reduction, primarily by the efficient use of indigenous raw materials and improved designs.
4. Saving in energy consumption of existing and new products.

3. Future plan of Action:

To consider R & D in relevant areas to achieve benefits listed above.

4. Expenditure on R & D:

- | | |
|--------------|-----------|
| 1. Capital | : Rs. NIL |
| 2. Recurring | Rs. NIL |
| Total | Rs. NIL |

For CITY LIFTS (INDIA) LTD.



DIRECTOR.

CITY LIFTS (INDIA) LIMITED


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Technology/Absorption, Adaptation & Innovation.

1. Efforts in brief made towards technology absorption adaptation and innovation: Introduction of VVVF elevator with appropriate technology using totally indigenous components. Improved designs, material and performance in capital elevator with good aesthetic features to meet customers changing tastes and needs.
2. Benefits derived as a result of the above efforts, i.e. product improvement, cost reduction, products development, import substitution, etc. Improve performance, enhanced aesthetics, serviceability, space saving and reduction in elevator callbacks.

For and on Behalf of the Board

Place: Mumbai
Date: 01st September, 2002

V. RAJAGOPALAN
Managing Director
For CITY LIFTS (INDIA) LTD.

DIRECTOR.



CITY LIFTS (INDIA) LIMITED

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SUVARNA, GURAV & ASSOCIATES
CHARTERED ACCOUNTANTS
80 E, Mulji Mistry Building, 61, Tejpal Road,
Opp. Parle Gluco Factory,
Vile Parle (East), Mumbai – 400 057.

AUDITORS' REPORT TO SHARE HOLDERS

1. We have audited the attached Balance Sheet of CITY LIFTS (INDIA) LIMITED as at 31st March, 2002 and also annexed Profit & Loss Account of the Company for the year ended on that date. 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.
2. We have 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in annexure referred in paragraph 3. above we report that:
 - 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, as far as it appears from my 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 and loss account and balance sheet comply with the Accounting Standards specified by the Institute of Chartered Accountants of India, referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of the written representation received from the directors, and taken on record by the Board of the Directors, we report that none of the directors is disqualified as on 31st March 2002 from being appointed as a

For CITY LIFTS (INDIA) LTD.

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DIRECTOR

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 our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (I) In the case of the Balance Sheet, of the State of the affairs of the Company as at 31st March, 2002 and,
- (II) In the case of the Profit & Loss Account of the loss for the year ended on that date.

ANNEXURE TO THE AUDITORS' REPORT: -

(Referred to in Paragraph 3 of our Report of even date)

1. The Company has maintained proper records showing full particulars including quantitative details and situations of Fixed Assets. Physical Verification of all assets of significant value has been conducted by the Management from time to time. In our opinion the programme of verification carried out is reasonable having regards to the size of the and of the assets and on the basis of the explanations received no serious discrepancies were noticed.
- 2 None of the fixed assets have been revalued during the year.
- 3 Physical verification has been conducted by the management at reasonable period in respect of Stock in trade.
- 4 In our opinion the procedure for physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 5 No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- 6 In our opinion the valuation of stock is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
- 7 The terms and conditions on which loans were taken from the parties listed in the Register maintained U/s 301 of The Companies Act 1956 are not prima facie prejudicial to the interest of the Company.
- 8 In respect of loans given by the company no stipulation is made as to repayment of principal amount and payment of interest.