
TITANOR COMPONENTS LIMITED



ANNUAL REPORT 2003

TITANOR COMPONENTS LIMITED**BOARD OF DIRECTORS**

PREMAL N. KAPADIA	<i>Chairman</i>
RENATO GAZZANIGA	
GIUSEPPE CAMBARERI	
ANGELO FERRARI	
R. V. N. P. R. SARDESSAI	
S. C. JAIN	<i>Whole-time Director</i>
KRISHAN KHANNA	<i>Alternate to R. Gazzaniga</i>
V. FRANK	<i>Alternate to G. Cambareri</i>

AUDIT COMMITTEE

V. FRANK
A. FERRARI
R. V. N. P. R. SARDESSAI

COMPANY SECRETARY

AVANISH DWIVEDI

**REGISTERED OFFICE
AND WORKS**

PLOT NOS. 184, 185 & 189
KUNDAIM INDUSTRIAL ESTATE
KUNDAIM, GOA – 403 115

WEBSITE

www.titanor.com

BANKERS

BANK OF BARODA



TITANOR COMPONENTS LIMITED

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of TITANOR COMPONENTS LIMITED will be held on Saturday June 5, 2004 at 9 a.m. at the Registered Office of the Company at Plot Nos.184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115, to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st December, 2003 and the Profit and Loss Account of the Company for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. R.V.N.P.R. Sardesai who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Premal N. Kapadia who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION:

"RESOLVED that Mr. Angelo Ferrari, who was appointed in casual vacancy in place of Mr. Mauro Saponelli with effect from February 10, 2004 by the Board of Directors at their meeting held on February 10, 2004 and who ceases to hold office at this Annual General Meeting and who is eligible for appointment and in respect of whom the company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of a Director, be and is hereby appointed as director of the company liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the consent of the shareholders be and is hereby accorded to the appointment of Mr. S.C. Jain, as Managing Director for a period of 3 (three) years with effect from July 16, 2004 on the terms and conditions

and remuneration as set out in the Explanatory Statement attached to the Notice convening this Annual General Meeting, with a liberty to the Board of Directors (deemed to include the Remuneration Committee of the Board) to revise, amend, alter or otherwise vary the terms and conditions of this appointment including remuneration so as not to exceed the limits specified in Part I, i.e. in case of Profit, and Part II in case of inadequacy of Profit, of Schedule XIII to the Companies Act, 1956, or any amendments thereto as may be required from time to time, and agreed by the Board of Directors and Mr. S.C. Jain.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

AVANISH DWIVEDI
Company Secretary

Date: April 30, 2004

Registered Office:

Plot Nos.184, 185 & 189
Kundaim Industrial Estate
Kundaim, Goa 403 115

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.
- b) The proxy form duly completed and signed should be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
- c) The relative Explanatory Statement as required by Section 173 (2) of the Companies Act, 1956 is annexed hereto in respect of item Nos. 6 & 7.
- d) The Register of Members and the Share Transfer Books of the Company will remain closed from 18th May, 2004 to 20th May, 2004 (both days inclusive) for determining the names of Members eligible for dividend, if approved, in the Annual General Meeting. In case of shares held in electronic form, dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose.
- e) Shareholders desiring any information as regards the accounts are requested to write to the Company at an

TITANOR COMPONENTS LIMITED



early date so as to enable the management to keep the information ready.

- f) Members/Proxies should bring the attendance slips duly filled-in for attending the meeting.
- g) The amount of unclaimed dividend for and upto the year ended March 31, 1994 which remained unpaid or unclaimed have been transferred to the General Revenue Account of the Central Government. Any claim for payment of such unclaimed/unpaid Dividend should be made by an application in the prescribed form to the Registrar of Companies, Goa at the address given below:

The Registrar of Companies

Company Law Bhavan
EDC, Plot No. 21, Patto
Panaji – 403 001, Goa

- h) Pursuant to the provisions of Sec. 205A(5) of the Companies Act, 1956, dividend for the financial year ended March 31, 1997 which remain unclaimed till September 16, 2004 will be transferred by the Company to the Investors Education & Protection Fund (IEPF) established by the Central Government. The due date for transfer to IEPF is **October 15, 2004.**

Unclaimed and unpaid Dividend for the Financial Year 1996 has already been transferred to IEPF on October 24, 2003 and no claims shall lie against the Company or the said Fund in respect of such Dividend which remain unclaimed or unpaid for a period of 7 years from the date when they first became due.

- i) Consequent upon the introduction of Section 109A of the Companies Act, 1956 Shareholders are entitled to make nomination in respect of shares held by them in physical form. **Shareholders desirous of making nominations are requested to send their requests in Form 2B (enclosed) to the Registrar & Transfer Agents:**

**M/s Sharepro Services, Satam Estate
3rd Floor, Above Bank of Baroda
Cardinal Gracious Road, Chakala
Andheri (E), Mumbai – 400 099**

- j) **Members are requested to notify immediately any change in their addresses to the Registrar & Transfer Agents at the above address.**
- k) As per SEBI's directive, w.e.f. June 26, 2000 all investors can offer delivery of Company's shares in dematerialized form only. 2181710 Number of Company's shares (39.27%) have been dematerialized as on 31.12.2003.

Members are requested to take steps to dematerialize

their shares held in physical form to have easy liquidity.
The Company's ISIN No. is INE244A01016.

- l) The Company provides the facility of Electronic Clearing Service (ECS) to all shareholders, in the following cities:

Ahmedabad, Bangalore, Bhubaneswar, Calcutta, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram.

Shareholders holding shares in the physical form who wish to avail ECS facility, may authorize the Company with their ECS mandate in the prescribed form, attached with this Annual Report. The duly filled in ECS mandate should be lodged with Registrar & Transfer Agents, on or before 20th May, 2004.

INFORMATION TO BE FURNISHED UNDER THE LISTING AGREEMENT

I. Name	: Mr. R. V. N. P. R. Sardessai
Age	: 72
Qualification	: B.A., LL.B.
Expertise	: He retired as Assistant Commissioner of Sales Tax, Government of Goa. Practising as a Sales tax and Luxury tax Advocate & Consultant since August, 1990

Other Directorship/ : Nil
Committee Membership

He is a member of the Audit, Remuneration and Shareholders Grievance Committee of the Board.

II. Name	: Mr. Premal N. Kapadia
Age	: 54
Qualification	: M.S. (Engineering)-USA
Expertise	: Mr. Kapadia is a Chemical Engineer with 32 years experience in project execution, business development, general administration and overall corporate management. He has had wide exposure in the project engineering activities comprising engineering, procurement, inspection, expediting, planning and scheduling, construction, etc. Has gathered experience in execution of projects in the fields of Oil and Gas Processing, Petrochemicals, Chemicals, Pharmaceuticals, Coal Washeries, Material Handling, Dyestuffs and Intermediates, Electrolytic Processes, Pulp and Paper, Food Stuffs.



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Other Directorship/ :

Committee Membership

1. Tecnimont ICB Pvt. Ltd.
2. Engineering & Designs
Tecnimont ICB Pvt. Ltd., Mumbai
3. Harshadray Private Ltd.
4. Farm Chemicals Pvt. Ltd.
5. Dryden Private Limited
6. TUV India Pvt. Ltd.
7. Harshadray Investment Pvt. Ltd.
8. The West Coast Paper Mills Ltd.
9. Kaira Can Company Ltd.
10. Silicon Interfaces Pvt. Ltd.
11. Silicon Interfaces America Inc.
12. Protos Engineering Co. Pvt. Ltd.
13. Delimon Protos India Pvt. Ltd.
14. Sortimat Protos Automation Pvt. Ltd.
15. Alkyl Amines Chemicals Ltd.
16. Thyssenkrupp Industries India Pvt. Ltd.
17. FirsteService (India) Pvt. Ltd.
18. Integrated Industrial Quality Management
Consultants Pvt. Ltd.

He is also a member of the Remuneration Committee of the Board and Chairman of Share Transfer Committee of Kaira Can Co. Ltd. and Member of the Audit Committee of The West Coast Paper Mills Ltd.

- III. Name : Mr. Angelo Ferrari
Age : 43
Qualification : Degree in Business Administration
c/o "Luigi Bocconi" University in Milan

Expertise : He has more than 16 years of extensive experience in the area of Finance function. He has been associated with the Parent Company since last 14 years. At present he is the Controller in Industrie De Nora SpA.

Other Directorship/ :

Committee Membership

1. Flynor Jet S.p.A.
2. Oronzio De Nora International B.V.
3. De Nora Deutschland GmbH
4. De Nora North America, Inc.
5. Jiangyin De Nora Tian Li

He is a member of the Audit Committee of the Board.

- IV. Name : Mr. Satish Chandra Jain
Age : 52
Qualification : M.Tech. (Chemical Engineering), IIT, Delhi.
Expertise : Mr. Jain has more than 29 years of extensive experience in the area of chloralkali, electrochlorination & cathodic protection systems. He has been with the Company since inception and Whole-time Director of the Company since July 16th, 1997.

Other Directorship/ : Nil
Committee Membership

He is a member of the Shareholders' Grievance Committee of the Board.

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**ANNEXURE TO NOTICE :**

Explanatory statement pursuant to Sec. 173 of the Companies Act, 1956.

Item No. 6

Mr. Angelo Ferrari was appointed in casual vacancy caused by the resignation of Mr. Mauro Saponelli w.e.f. February 10, 2004. Mr. Saponelli would have retired by rotation in this Annual General Meeting. The Company has received a notice in writing under Sec. 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- from a member proposing the candidature of Mr. Ferrari for the office of a Director. The Board recommends his appointment.

None of the Directors other than Mr. Ferrari are interested in the resolution.

Item No. 7

The present term of office of Mr. S. C. Jain as Whole-time Director will be expiring on July 15th, 2004. The Board of Directors at their Meeting held on April 30, 2004, subject to the approval of the Shareholders, have appointed Mr. S. C. Jain as Managing Director for a period of three years w.e.f. July 16th, 2004 as per the terms and conditions set out hereunder, determined by the Remuneration Committee of the Board of Directors.

The information to be disclosed as per Schedule XIII to the Companies Act, 1956 is as under :

The company is in the business of manufacture of products for Electrolytic processes.

Date of commencement of commercial production : 25.08.1993

Financial performance based on given indicators :

The comparative profit after tax of the company herein below indicates a positive growth:

	March 31, 2002 (Rs.)	March 31, 2003 (Rs.)	December 31, 2003 (Rs.) (Nine Months)
Profit / (Loss) After Tax	2,924,551	10,970,739	50,795,076

Export performance : Rs. 25,94,606/-

Foreign Investments or Collaborators : The company has Financial and Technical Collaboration with Oronzio De Nora International B.V. The Netherlands which holds 51.29% equity in the Company. In addition it has technical collaboration with Oronzio De Nora S.A., Switzerland.

Information about the appointee:

Mr. S. C. Jain is a M.Tech. in Chemical Engineering from IIT, Delhi. He has over 29 years of experience in industry and he has been with the Company since its inception. He was inducted in the Board as a Whole-time Director in July 1997 and since April 1999, with the end of tenure of Mr. Gaudenzio Ferri as Managing Director, Mr. Jain became independently responsible for the day to day management of the Company.

As a Managing Director Mr. S. C. Jain shall be responsible for the overall management of the company. He shall also be the Occupier of the factory. With his long standing experience he is ideally suitable for heading the Company.

The present remuneration package of Mr. Jain is as under:**Salary :**

Rs. 86,000/- p.m.

Perquisites :

In addition to the salary Mr. S. C. Jain shall be entitled to the following perquisites, namely rent-free furnished accommodation, medical reimbursement and such other payments in the nature of perquisites and allowances in accordance with the Rules of the company and any other performance related incentives as may be agreed/ determined by the Board of Directors. The total value of perquisites together with salary shall be restricted upto Rs. 30,00,000/- per annum.

Other Payments and Provisions :

i) Contribution to Provident Fund and Superannuation Fund

Contribution towards Provident Fund will be subject to a ceiling of 12% of Salary. Contribution to Superannuation Fund together with Provident Fund shall not exceed 27% of the Salary as laid down in the Income Tax Rules, 1962.

ii) Gratuity

Gratuity as per rules of the company.

iii) Leave and Leave Encashment

a) Leave and Leave Encashment is allowed during the tenure of appointment in the company and leave encashment during the tenure shall be included in the computation of perquisites.

b) Leave Encashment at the end of the tenure will not be included in the computation of perquisites.

iv) Car & Telephone

The Company shall provide a car with driver for business use and telephone facility at his residence. The provision of car for the use on Company's business and telephone facility at the residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the company to Mr. S. C. Jain.



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Proposed Remuneration Package to Mr. Jain is as under :

I. Salary :

Rs. 1,00,000/- p.m.

II. Perquisites :

In addition to the salary Mr. S. C. Jain shall be entitled to the following perquisites, namely rent-free furnished accommodation, medical reimbursement and such other payments in the nature of perquisites and allowances in accordance with the Rules of the company and any other performance related incentives as may be agreed/determined by the Board of Directors. The total value of perquisites together with salary shall be restricted upto 5% of the Net Profits in case of profits and Rs. 3,00,000/- per annum in case of no or inadequacy of profits.

III. Other Payments and Provisions :

i) Contribution to Provident Fund and Superannuation Fund

Contribution towards Provident Fund will be subject to a ceiling of 12% of Salary. Contribution to Superannuation Fund together with Provident Fund shall not exceed 27% of the Salary as laid down in the Income Tax Rules, 1962.

ii) Gratuity

Gratuity as per rules of the company.

iii) Leave and Leave Encashment

a) Leave and Leave Encashment is allowed during the tenure of appointment in the company and leave encashment during the tenure shall be included in the computation of perquisites.

b) Leave Encashment at the end of the tenure will not be included in the computation of perquisites.

iv) Car & Telephone

The Company shall provide a car with driver for business use and telephone facility at his residence. The provision of car for the use on Company's business and telephone facility at the residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the company to Mr. S. C. Jain.

cannot be compared with any other corporate in the industry. However, taking into consideration the size of the company, the profile of the appointee, and the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages given to similar senior level appointees.

Mr. Jain is not related directly or indirectly with the company or with managerial personnel except in the manner described above.

Other information:

The company incurred losses in previous financial years. This was attributable primarily to the recession in the Chlor-alkali industry and also the recession in the economy in general. Last year and the year under review there has been a turnaround and the Company achieved net profit after tax of Rs. 50.79 Million. This has been mainly on account of the steps taken by the management to cut cost and improve efficiency.

The company has taken effective steps to further trim costs and improve efficiency.

For the financial year 2004, the turnover of the company is expected to show major positive growth and increase in operating profit.

The Remuneration Committee has passed appropriate resolution in this regard in its Meeting held on February 10th, 2004.

The company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of Mr. S. C. Jain.

The terms and conditions set out above should also be treated as an abstract of Memorandum of interest under Sec. 302 of the Companies Act, 1956.

Your Directors recommend the Special Resolution for your approval.

None of the Directors except Mr. S. C. Jain is interested or concerned in the resolution.

By Order of the Board of Directors

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The company in relation to its size and the industry is not comparable. The remuneration of the Managing Director

Kundaim, Goa
April 30, 2004

AVANISH DWIVEDI
Company Secretary

TITANOR COMPONENTS LIMITED



DIRECTORS' REPORT

TO
THE MEMBERS

Your Directors have pleasure in presenting the 15th Annual Report together with the Audited Accounts of your Company for the period of 9 months starting from 1st April, 2003 to 31st December, 2003.

FINANCIAL RESULTS

	(Rs. in Million)	
	2003 (9 months ended 31.12.2003)	2002-2003 (12 months ended 31.03.2003)
Sales & Other Income (Net of duties)	179.81	118.34
Profit/(Loss) before Depreciation, Taxation and Amortisation	87.03	30.32
Amortisation	—	1.02
Provision for Depreciation	5.93	11.49
Provision for Taxation for earlier years	—	0.57
Provision for Taxation for current year	33.75	3.09
Profit/(Loss) after Depreciation, Taxation and Amortisation	47.35	14.15
Deferred Taxation (Liability)/Asset for the year	3.44	(3.18)
Profit/Loss after Deferred Tax Asset created	50.79	10.97
Balance of Loss brought forward from Previous Year	(2.58)	(13.55)
Transfer to General Reserves	5.08	—
Proposed Dividend	19.44	—
Tax on Dividend	2.43	—
Balance of Profit/(Loss) carried forward to next year	21.26	(2.58)

DIVIDEND

Your Directors are pleased to recommend a Dividend of 35% for the year ended 31st December, 2003. This will absorb Rs. 21.87 Million of distributable profits, inclusive of tax on dividend.

OPERATIONS

Continuing its good performance the company achieved a turnover of Rs. 186.74 Million and Net Profit after tax of Rs. 50.79 Million (for the period of 9 months this year) as

compared to Rs. 10.97 Million for the 12 months in the previous year. The Industrial Sector is showing signs of revival and growth and with this the demand for Company's products is also expected to grow. The management's endeavour to keep the costs low to improve efficiency and maximization of shareholders wealth continues.

DELISTING

Consequent to the approval of the Shareholders in the last Annual General Meeting, the shares of the Company have been delisted from Delhi and Mangalore Stock Exchanges. The Stock Exchange, Mumbai has not yet notified the procedures for voluntary delisting. The Company is closely following up the matter with the Mumbai Stock Exchange. The shares of the Company continue to be listed at Mumbai and National Stock Exchanges.

DIRECTORS

In accordance with the Articles of Association of the Company, Mr. R. V. N. P. R. Sardesai & Mr. P. N. Kapadia will retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

Mr. Mauro Saponelli resigned effective from February 10, 2004. Mr. B. P. Vaidya being alternate director vacated office w.e.f. 25.09.03 due to return of the original director Mr. Renato Gazzaniga to the State and Mr. Krishan Khanna vacated office w.e.f. 10.02.04 due to resignation of original director Mr. Saponelli.

The Directors express their deep appreciation of the services rendered by Mr. Mauro Saponelli and Mr. B. P. Vaidya during their tenure as director of the Company.

The Board of Directors at its meeting held on February 10, 2004 appointed Mr. Angelo Ferrari in the casual vacancy created by resignation of Mr. Mauro Saponelli. He ceases to hold office at the forthcoming Annual General Meeting and is eligible for appointment as the Company has received a Notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.

The present term of office of Mr. S. C. Jain as Whole-time Director will be expiring on 15th July, 2004. Subject to Shareholders approval, the Board of Directors at their Meeting held on April 30, 2004, have appointed Mr. S. C. Jain as Managing Director of the Company for a period of three years w.e.f. 16th July, 2004. The remuneration is made in terms of Schedule XIII of the Companies Act, 1956. The consent of the Shareholders is sought for his appointment.



TITANOR COMPONENTS LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :

1. That in the preparation of the accounts for the financial year ended December 31, 2003 the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. That such accounting policies have been selected and consistently applied and judgements and estimates made, that are reasonable and prudent so as to give a fair and true view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
3. That proper and sufficient care has been taken for the maintenance of adequate 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;
4. That the accounts for the financial year have been prepared on a 'going concern' basis.

AUDITORS

The Auditors M/s. Deloitte, Haskins & Sells, Chartered Accountants will retire at the conclusion of this Annual General Meeting and are eligible for re-appointment.

PERSONNEL

The Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees)

Rules, 1975 read with Section 217(2A) of the Companies Act, 1956. Hence, no information is required to be appended to this report in this regard.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in Annexure 'A' forming part of this report.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the continued support and co-operation received from Bankers, Foreign Collaborators, Government Authorities and Shareholders. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers during the year under review.

For and On behalf of the Board of Directors

Mumbai
April 30, 2004

P. N. KAPADIA
Chairman

TITANOR COMPONENTS LIMITED



ANNEXURE 'A' TO DIRECTORS' REPORT

INFORMATION IN ACCORDANCE WITH SECTION 217 (1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY

Though the manufacturing operations involve consumption of energy, it is not of major significance. The Company is not covered under the list of industries which should furnish information in Form 'A'.

B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT

Your Company has technical collaboration with M/s. Oronzio De Nora International B.V., The Netherlands for Ion Exchange Membrane Electrolysers for Chlor-Alkali Industry, Water Electrolysers and Electrochlorinators for Water treatment and with M/s. Oronzio De Nora S. A., Switzerland for Cathodic Protection (Anti corrosion) Systems. In view of this, the Company did not incur any expenditure on R&D during the year under review.

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

In the year under review, the company developed a new model of Seaclor Mac Electrochlorinators viz. Seaclor Mac 300. The Company now has six standard models namely Seaclor Mac-50, Seaclor Mac-100, Seaclor Mac-300, Seaclor Mac-500, Seaclor Mac-1000 & Seaclor Mac-2000. The company developed and supplied Seaclor Mac-6000 for PWD, Goa.

Your Company has also adopted the technology for the manufacture of Lida ® Anodes in different configurations for Cathodic Protection System.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

The information on foreign exchange earnings are detailed in Note No. 28 and foreign exchange outgo is detailed in Note No. 29 to the Accounts.

For and On behalf of the Board of Directors

Mumbai
April 30, 2004

P. N. KAPADIA
Chairman