

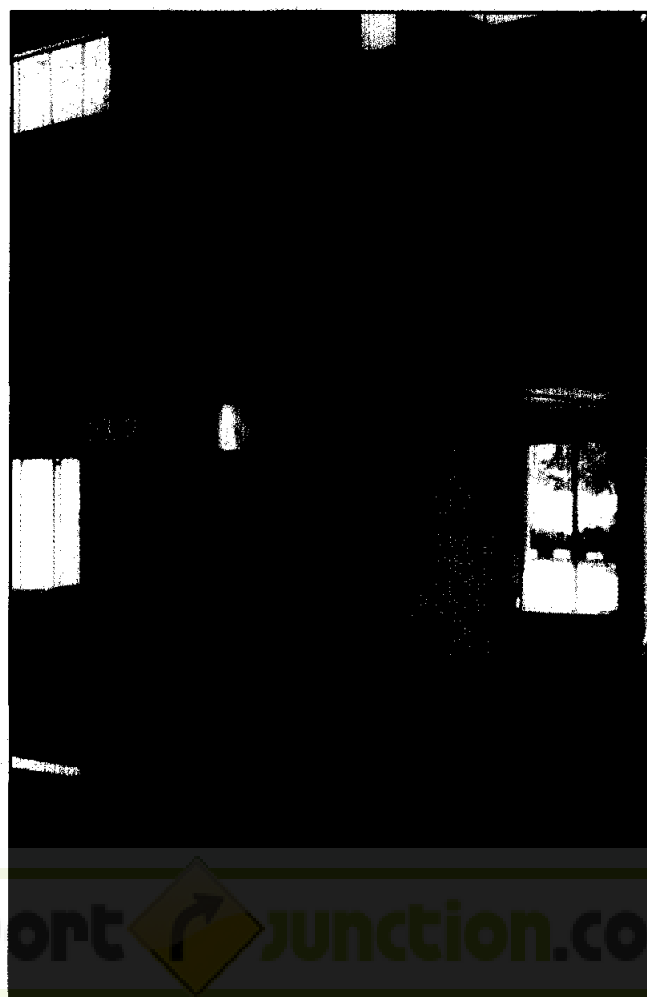
DISA

DISA INDIA LIMITED



16th
ANNUAL REPORT
2000-2001

Formerly Georg Fischer Disa Ltd



New range of Shot Blasting Machines "TYPE-GOFF" being developed in collaboration with DISA Industrie AG, Schaffhausen, Switzerland.

BOARD OF DIRECTORS

V.A. DATAR
 H. BRÜNGGER
 JAN JOHANSEN
 B.P. VAIDYA
 F.A.A. JASDANWALLA
 V.M. BHAT
 TOMAS DYRBYE
 C.K. NEELAKANTARAJ
 VILAS KARNIK

Chairman

KSIIIDC Nominee
 Vice-Chairman & Managing Director

BANKERS

CANARA BANK
 DEUTSCHE BANK
 ICICI BANK LTD
 THE VYSYA BANK LIMITED
 STATE BANK OF INDIA

REGISTRARS

Alpha Systems Pvt. Ltd.
 30, Ramana Residency,
 Ground Floor,
 IV Cross, Sampige Road,
 Malleswaram,
 Bangalore - 560 003.

REGISTERED OFFICE

Basappa Complex,
 40/1A, Lavelle Road,
 Bangalore - 560 001
 Telephone : 080 - 2214701

Branches	Telephone
PUNE	: 020 - 6132503
CALCUTTA	: 033 - 2805570
DELHI	: 011 - 6411123
COIMBATORE	: 0422 - 216065

AUDITORS

Dandekar Associates,
 Chennai.

SOLICITORS

Chander Kumar & Associates
 Bangalore.

WORKS

Foundry Machinery Division,
 28-32, Satyamangala Indl. Area,
 Tumkur - 572 104.

INTERNAL AUDITORS

Manian Suresh Sundar & Vittal,
 Bangalore.

Clean Air Division,
 50, KIADB Industrial Area,
 Hosakote - 562 114.

DISA INDIA LIMITED

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of DISA INDIA LIMITED, will be held at 1030 hrs on Tuesday, the 21st August 2001 at Hotel Rama, Lavelle Road, Bangalore - 560 001, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2001 and the Profit and Loss Account for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend.
3. To elect a Director in place of Mr. V.M. Bhat, who retires by rotation, and being eligible, offers himself for re-election.
4. To elect a Director in place of Mr. Hermann Brüngger, who retires by rotation and being eligible, offers himself for re-election.
5. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors, Messrs. Dandeker Associates, Chartered Accountants, Chennai have offered their services and are eligible for appointment.

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. Tomas Dyrbye who was appointed as an Additional Director by the Board of Directors on 18th October 2000 and who holds office upto the date of this meeting 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 an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 268, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, the terms of appointment of, and remuneration payable to, Mr. Vilas Karnik, Vice Chairman & Managing

Director as approved by the shareholders at the 13th Annual General Meeting held on 3rd September 1998 be and the same are hereby modified so as to authorise the Board of Directors to pay remuneration in excess of the limits prescribed under Section 198 of, Schedule XIII to, the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors be authorised to fix such remuneration limits for the residual part of tenure of Mr. Vilas Karnik and further that the Board be empowered to do such acts and deeds as may be necessary in this regard including seeking approval from Central Government"

NOTES:

1. An explanatory statement pursuant to Section 173 of the Companies Act, 1956, pertaining to special business contained in the Notice is annexed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such a proxy need not be a member. Proxies, in order to be effective, must be received by the Company not less than forty-eight hours before the meeting.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 17th August 2001 to 21st August 2001 (both days inclusive).

The shares of the Company, are now, to be traded compulsorily in dematerialized form as per the directions of the Stock Exchanges. Accordingly members who have not opted for dematerialization of shares are once again reminded to take steps to demat their shares.

4. Members are requested to communicate the changes, if any, in their addresses to the Company's Registrar and Share Transfer Agents, Alpha Systems Pvt. Ltd. 30, Ramanas Residency, IV Cross, Sampige Road, Malleswaram, Bangalore - 560 003.
5. The name of the Company has been changed from Georg Fischer Disa Limited to DISA INDIA LIMITED as evidenced by the fresh Certificate of Incorporation dated 4th April 2001 issued by the Registrar of Companies, Karnataka, Bangalore.

By order of Board of Directors

Place : Bangalore
Date : 12th July, 2001

VILAS KARNIK
Vice Chairman &
Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 6**

Your Board of Directors at their Meeting held on 18th October 2000 appointed Mr. Tomas Dyrbye, Managing Director of Maersk India Limited as Additional Director of the Company. Mr. Tomas Dyrbye's induction into the Board will be of immense benefit to the Company in view of his rich experience and knowledge. His term as Additional Director will expire on the date of the AGM and a notice has been received from a member proposing his candidature under Section 257 of the Companies Act, 1956. The Board recommends his appointment as Director at this AGM. The appointee will be thereafter liable to retire by rotation.

None of the Directors except Mr. Tomas Dyrbye is concerned/interested in the resolution

Item No. 7

It may be recalled that the terms of appointment of Mr. Vilas Karnik as Managing Director was approved by the shareholders at the Annual General Meeting held on 3rd September 1998.

The payments of remuneration have been always within the limits prescribed by the Companies Act.

Your Board has considered various criteria as follows:-

- a) Size and Growth of the Company.
- b) The steady increase in revenue.

- c) The continuous growth in the profitability.
- d) The terms of appointment of Managerial Personnel in other Corporates in the current scenario.
- e) The nature of the Industry to which your Company belongs to.
- f) The qualification, experience and the immense contribution made by Mr. Vilas Karnik.

The remuneration terms include performance bonus i.e. commission on net profits and going by the workings as prescribed under Company Law, the payment of remuneration to Mr. Vilas Karnik seemed to be inadequate to your Board.

Your Board has therefore decided to recommend the resolution for your approval and also seek the approval of Government of India by furnishing the required explanations and justifications. The Board will subject to the approval of the Central Government decide the remuneration payable.

Except Mr. Vilas Karnik, no other Director is interested/concerned in the above resolution.

By order of Board of Directors

VILAS KARNIK
Vice Chairman &
Managing Director

Place : Bangalore
Date : 12th July, 2001

DISA INDIA LIMITED**DIRECTORS' REPORT**

The Board of Directors take pleasure in presenting the Sixteenth Annual Report and the Audited statement of Accounts for the year ended 31st March 2001, together with the Auditors' Report.

FINANCIAL RESULTS

(Rs.in '000)

Description	2000-2001	1999-2000
Sales & Service	195,552	140,333
Profit before depreciation, tax & financial charges	49,895	35,783
Less: Depreciation	16,640	17,251
Less: Interest	2,072	2,212
Less: Provision for taxation	10,416	6,268
PROFIT AFTER TAXATION	20,768	10,052
Add: Profit & Loss account Balance b/f	7,919	11,854
PROFIT AVAILABLE FOR APPROPRIATION	28,687	21,906
APPROPRIATION:		
Dividend proposed & Tax thereon	3,994	3,987
Prior period tax liability (under appeal)	5,263	
General Reserve	10,000	10,000
Profit & Loss Account	9,430	7,919

DIVIDEND

Your Board is pleased to recommend a dividend of 24%.

PERFORMANCE OF THE COMPANY

During the year under review, your Company recorded a turnover of Rs.195.55 Million (previous year Rs.140.33 Million) registering a growth of approximately 39%. The PAT increased by about 107% at Rs.20.768 Million as compared to Rs.10.052 Million in the previous year.

As of 1st April, 2001, the Company had an Order Book of Rs105.3 Million (previous year Rs. 98.9 Million). New customers have been identified and more orders are expected in the days to come. Your Directors are confident that the Company will achieve better results in the current year barring unforeseen circumstances. The Board is pleased to report that the Order booking as on 1st May 2001, is Rs.150.8 Million.

Your Factories at Tumkur and Hosakote have been awarded ISO 14001 in recognition of their Environment Management practices of International levels.

DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors confirm as follows :

- The statement of accounts have been prepared in conformity with appropriate accounting standards.
 - Accounting policies have been selected and consistently applied so as to give a true and fair view of the financial statements.
 - Internal controls are in place to provide reasonable assurance and reliability of the accounting records and to safeguard the assets of the Company and also to detect fraud and other irregularities, if any.
- A reputed independent accounting firm acts as Internal Auditors of your Company and they conduct regular audits.
- The Directors are satisfied that the Company has enough resources to carry on business and therefore have finalised the accounts as a going concern.

CONSERVATION OF ENERGY

Your Company gives high priority for conservation of energy through better supervision and training of employees to economize the usage of electricity.

CHANGE OF NAME

Following your approval at the Extra Ordinary General Meeting held on 22nd February 2001, the Registrar of Companies, Karnataka, Bangalore has issued a fresh Certificate of Incorporation effecting the change of name of the Company from Georg Fischer Disa Limited to DISA INDIA LIMITED.

RESEARCH AND DEVELOPMENT, TECHNOLOGY, ABSORPTION, ADAPTATION & INNOVATION:

Your Company has been continuously seeking and adapting new technology from principals in order to develop skills locally and meet specific needs of Indian and global customers.

Personnel at all levels are routinely sent to Principals' factories and design offices abroad for training and updating their skills.