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DYNAMIC INDUSTRIES LIMITED

Registered Office : Plot no. : 5501/2, Phase III, GIDC, Vatva, Ahmedabad 382 445.



BOARD OF DIRECTORS

◆
DEEPAK CHOKSI
CHAIRMAN

DEEPAK SHAH
MANAGING DIRECTOR

HARIN MAMLATDARNA
VICE-CHAIRMAN

DEEPAK R. SHETH
DIRECTOR

BANKIM M. PATEL
DIRECTOR

PARESH C. PATEL
DIRECTOR

RAGHAV LAKHMANI
DIRECTOR (upto 31-7-2002)

◆
COMPANY SECRETARY
(CONSULTING)
CHETAN SHAM

AUDITORS
G. K. CHOKSI & CO.
Chartered Accountants
"Madhuban", Nr. Madalpur Underbridge,
Ellisbridge, Ahmedabad - 6.

BANKERS
CENTRAL BANK OF INDIA
Lal Darwaja Branch
Nr. Roopalee Cinema, Ahmedabad.

REGISTRARS & SHARE TRANSFER AGENTS
PINNACLE SHARES REGISTRY P. LTD.
Near Ashoka Mills, Naroda Road,
Ahmedabad 382 445.

◆
REGISTERED OFFICE
Plot No. 5501 / 2, Phase III,
Nr. Trikampura cross roads, GIDC,
Vatva, Ahmedabad 382 445

FACTORY
Plot No. 125, Phase I,
Nr. Trikampura cross roads, GIDC,
Vatva, Ahmedabad 382 445

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NOTICE

NOTICE is hereby given that the Fourteenth Annual General Meeting of Dynamic Industries Limited will be held on 27th September, 2003 at 11.30 a.m. at 5501/2, Phase III, Near Trikampura Cross Roads, G.I.D.C., Vatva, Ahmedabad -382 445 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2003, Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Harin Mamlatdarna who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

5. Appointment of Shri Deepak R. Sheth as a Director

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

"RESOLVED THAT Shri Deepak R. Sheth, who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 26th March, 2003 and who holds office as such up to the date of the ensuing Annual General Meeting and in whose respect the Company has received a notice from a member proposing his candidature as Director, be and is hereby appointed as a Director of the Company."

6. Appointment of Shri Bankim M. Patel as a Director

"RESOLVED THAT Shri Bankim M. Patel, who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 26th March, 2003 and who holds office as such up to the date of the ensuing Annual General Meeting and in whose respect the Company has received a notice from a member proposing his candidature as Director, be and is hereby appointed as a Director of the Company."

7. Appointment of Shri Paresh C. Patel as a Director

"RESOLVED THAT Shri Paresh C. Patel, who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 26th March, 2003 and who holds office as such up to the date of the ensuing Annual General Meeting and in whose respect the Company has received a notice from a member proposing his candidature as Director, be and is hereby appointed as a Director of the Company."

8. Renewal of remuneration and change of designation of Shri Harin Mamlatdarna

"RESOLVED THAT in terms of section 269 and Schedule XIII and other applicable provisions of the Companies Act, 1956 Shri Harin Mamlatdarna be and is hereby appointed as Chairman of the Company for a period of two years w.e.f. 25th February, 2003."

"RESOLVED FURTHER THAT pursuant to section 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such sanctions as may be necessary, the Company hereby approves the remuneration of Shri Harin Mamlatdarna as Chairman of the Company, together with commission, perquisites and other terms and conditions (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the relevant explanatory statement appended hereto and forming part of this Notice with liberty to the Board of Directors to alter, vary or modify the terms and conditions of perquisites in such manner as may be agreed to between the Board of Directors and Shri Harin Mamlatdarna."

"RESOLVED FURTHER THAT subject to the provisions of section 198, 309 and other applicable provisions, in any, of the Companies Act, 1956 the remuneration payable to Shri Harin Mamlatdarna by way of salary, perquisites, commission and other allowances together with the remuneration payable to other whole-time Directors of the Company shall not exceed ten percent of the profits of the Company in a financial year."

DYNAMIC INDUSTRIES LIMITED

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year closing on or after 31st March, 2003 the Company has incurred loss or profits are inadequate, the Company may pay Shri Harin Mamlatdarna remuneration by way of salary , perquisites and other allowances not exceeding the ceiling as provided in section II of part II of schedule XIII of the Companies Act, 1956."

9. **Renewal of remuneration and change of designation of Shri Deepak V. Shah**

"RESOLVED THAT in terms of section 269 and Schedule XIII and other applicable provisions of the Companies Act, 1956 Shri Deepak V. Shah be and is hereby appointed as Vice Chairman of the Company for a period of two years w.e.f. from 25th February, 2003."

"RESOLVED FURTHER THAT pursuant to section 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such sanctions as may be necessary, the Company hereby approves the remuneration of Shri Deepak V. Shah as Vice Chairman of the Company, together with commission, perquisites and other terms and conditions (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the relevant explanatory statement appended hereto and forming part of this Notice with liberty to the Board of Directors to alter, vary or modify the terms and conditions of perquisites in such manner as may be agreed to between the Board of Directors and Shri Deepak V. Shah."

"RESOLVED FURTHER THAT subject to the provisions of section 198, 309 and other applicable provisions, in any , of the Companies Act, 1956 the remuneration payable to Shri Deepak V. Shah by way of salary, perquisites, commission and other allowances together with the remuneration payable to other whole-time Directors of the Company shall not exceed ten percent of the profits of the Company in a financial year."

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year closing on or after 31st March, 2003 the Company has incurred loss or profits are inadequate, the Company may pay Shri Deepak V. Shah remuneration by way of salary, perquisites and other allowances not exceeding the ceiling as provided in section II of part II of schedule XIII of the Companies Act, 1956."

10. **Renewal of remuneration and change of designation of Shri Deepak N. Choksi**

"RESOLVED THAT in terms of section 269 and Schedule XIII and other applicable provisions of the Companies Act, 1956 Shri Deepak N. Choksi be and is hereby appointed as Managing Director of the Company for a period of two years w.e.f. from 25th February, 2003."

"RESOLVED FURTHER THAT pursuant to section 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such sanctions as may be necessary, the Company hereby approves the remuneration of Shri Deepak N. Choksi as Managing Director of the Company, together with commission, perquisites and other terms and conditions (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the relevant explanatory statement appended hereto and forming part of this Notice with liberty to the Board of Directors to alter, vary or modify the terms and conditions of perquisites in such manner as may be agreed to between the Board of Directors and Shri Deepak N. Choksi."

"RESOLVED FURTHER THAT subject to the provisions of section 198, 309 and other applicable provisions, in any , of the Companies Act, 1956 the remuneration payable to Shri Deepak N. Choksi by way of salary, perquisites, commission and other allowances together with the remuneration payable to other whole-time Directors of the Company shall not exceed ten percent of the profits of the Company in a financial year."

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year closing on or after 31st March, 2003 the Company has incurred loss or profits are inadequate, the Company may pay Shri Deepak N. Choksi remuneration by way of salary , perquisites and other allowances not exceeding the ceiling as provided in section II of part II of schedule XIII of the Companies Act, 1956."

Regd. Office :

5501/2, Phase III,

Near Trikampura Cross Roads,

G.I.D.C., Vatva, Ahmedabad -382 445

Date : 30 - 06 -2003

By Order of the Board

Deepak Choksi

CHAIRMAN

Notes :

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed herewith.
3. Register of Members and Share Transfer Books will remain closed from 20-09-2003 to 27-09-2003 (both days inclusive).
4. The dividend will be payable to those shareholders whose names appear on the Register of Members as on 27th September, 2003. The dividend in respect of shares held in the electronic form will be payable to the beneficial owners of the shares as on 19th September, 2003 as per the details furnished by the Depositories for this purpose.

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956

Item Nos. 5 to 7

Shri Deepak R. Sheth, Shri Bankim M. Patel and Shri Paresh C. Patel were appointed as additional Directors of the Company on 26-03-2003. They hold office upto the ensuing Annual General Meeting.

The Company has received notices from some shareholders for their reappointment.

Shri Bankim M. Patel has experience of Banking and finance for more than 24 years.

Details of other Directorships : Nil.

Shri Deepak R. Sheth has experience of business for more than 15 years.

Details of other Directorships : Nil.

Shri Paresh C. Patel has experience of Accounts and finance for more than 15 years.

Details of other Directorships : Nil.

Your Directors recommend their appointments.

None of the Directors of the Company is interested or concerned in the appointments.

Item No. 8

Shri Harin Mamlatdarna was appointed as Chairman of the Company for a term of two years w.e.f. 25th February, 2003 i.e. up to 24th February, 2005. He is having a rich experience of more than 25 years in the field of chemicals and has also visited a number of European and Asian countries as well as USA to acquaint himself of the latest technology and also to working with commercial, financial and administrative aspects of the business.

The Board of Directors of the Company appointed Shri Harin Mamlatdarna as Chairman for a period of two years from w.e.f. 25th February, 2003 subject to approval of the Shareholders in terms of sections 269 read with Schedule XIII and other applicable provisions of the Companies Act, 1956. The terms of remuneration including salary, commission and perquisites payable to him w.e.f. from 25th February, 2003 as approved by the Board subject to approval of the Shareholders are as follows :

REMUNERATION :

- a) Salary : Rs.22,500/- (Rupees Twenty Two Thousand Five Hundred only) per month. The Board shall also have the right to pay higher amount of salary as may be decided by the Board.
- b) Commission : In addition to salary, perquisites and other allowances, commission based on the net profits of the Company computed in the manner laid down in the section 349 of the Companies Act, 1956 subject to the provisions of section 198 and section 309 and other applicable provisions, if any, percentage and of such amount as the Board of Directors may determine keeping in view the performance of the Company in respect of each financial year.
- c) In addition to salary and commission, the following perquisites shall be allowed to Shri Harin Mamlatdarna :
 1. Housing : Shri Harin Mamlatdarna shall be entitled to rent free furnished accommodation. The expenditure incurred by the Company on gas, electricity, water, and furnishings shall be valued as per the Income-tax Rules, 1962. This shall however, be subject to a ceiling of 10% of the Salary.

In case no accommodation is provided by the Company, Shri Harin Mamlatdarna shall be entitled to House Rent Allowances as may approved by the Board of Directors.

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2. Medical Reimbursement : Expenditure incurred for self and family subject to one month's salary in a year or 2 month's salary over a period of 2 years.
3. Leave Travel Allowance : For self and family once in a year in accordance with the Rules of the Company.
4. Club Fees : Fees of Clubs subject to a maximum of 2 Clubs. This will not include Admission and life membership fees.
5. Personal Accident insurance as per the Rules of the Company.
6. Provision of a car for use of Company's business and telephone at residence will be provided, but will not be considered as perquisites . Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Shri Harin Mamlatdarna.
7. Contribution to Provident fund , Superannuation Fund will not be included in the computation of ceiling on perquisites to the extent this either singly or put together is not taxable under the income-tax Act, 1961. Gratuity payable will not exceed half a month's salary for each completed year of service.

Earned / Privilege Leave : On full pay and allowance, as per Rules of the Company but not more than one month's leave for every eleven months of service shall be allowed. Leave accumulated at the end of his current term will be allowed to be encashed.

In the event of loss or inadequacy of profits in any financial year during the aforesaid period , the Company may pay to Shri Harin Mamlatdarna remuneration by way of Salary, perquisites as per section II of part II of Schedule XIII of the Companies Act, 1956.

Shri Harin Mamlatdarna is interested in the resolution as it relates to his own appointment and remuneration . No other Director is interested in the said resolution.

Item No. 9

Shri Deepak V. Shah was appointed as Vice Chairman of the Company for a term of two years w.e.f. 25th February, 2003 i.e. up to 24th February, 2005. He is having a rich experience of more than 14 years in the field of chemicals and has also visited a number of European and Asian countries as well as USA to acquaint himself of the latest technology and also to working with commercial , financial and administrative aspects of the business.

The Board of Directors of the Company appointed Shri Deepak V. Shah as Vice Chairman for a period of two years from w.e.f. 25th February, 2003 subject to approval of the Shareholders in terms of sections 269 read with Schedule XIII and other applicable provisions of the Companies Act, 1956. The terms of remuneration including salary, commission and perquisites payable to him w.e.f. 25th February, 2003 as approved by the Board subject to approval of the Shareholders are as follows:

REMUNERATION :

- a) Salary : Rs. 22,500/- (Rupees Twenty Two Thousand Five Hundred only) per month. The Board shall also have the right to pay higher amount of salary as may be decided by the Board.
- b) Commission : In addition to salary, perquisites and other allowances, commission based on the net profits of the Company computed in the manner laid down in the section 349 of the Companies Act, 1956 subject to the provisions of section 198 and section 309 and other applicable provisions, if any, percentage and of such amount as the Board of Directors may determine keeping in view the performance of the Company in respect of each financial year.
- c) In addition to salary and commission, the following perquisites shall be allowed to Shri Deepak V. Shah. :
 1. Housing : Shri Deepak V. Shah shall be entitled to rent free furnished accommodation . The expenditure incurred by the Company on gas, electricity, water, and furnishings shall be valued as per the Income-tax Rules, 1962. This shall however, be subject to a ceiling of 10% of the Salary.
In case no accommodation is provided by the Company, Shri Deepak V. Shah shall be entitled to House Rent Allowances as may approved by the Board of Directors.
 2. Medical Reimbursement : Expenditure incurred for self and family subject to one month's salary in a year or 2 month's salary over a period of 2 years.
 3. Leave Travel Allowance : For self and family once in a year in accordance with the Rules of the Company.
 4. Club Fees : Fees of Clubs subject to a maximum of 2 Clubs. This will not include Admission and life membership fees.

5. Personal Accident insurance as per the Rules of the Company.
6. Provision of a car for use of Company's business and telephone at residence will be provided, but will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Shri Deepak V. Shah.
7. Contribution to Provident fund, Superannuation Fund will not be included in the computation of ceiling on perquisites to the extent this either singly or put together is not taxable under the income-tax Act, 1961. Gratuity payable will not exceed half a month's salary for each completed year of service.
8. Earned / Privilege Leave : On full pay and allowance, as per Rules of the Company but not more than one month's leave for every eleven months of service shall be allowed. Leave accumulated at the end of his current term will be allowed to be encashed.

In the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company may pay to Shri Deepak V. Shah remuneration by way of Salary, perquisites as per section II of part II of Schedule XIII of the Companies Act, 1956.

Shri Deepak V. Shah is interested in the resolution as it relates to his own appointment and remuneration. No other Director is interested in the said resolution.

Item No. 10

Shri Deepak N. Choksi was appointed as Managing Director of the Company for a term of two years w.e.f. 25th February, 2003 i.e. up to 24th February, 2005. He is having a rich experience of more than 25 years in the field of chemicals and has also visited a number of European and Asian countries as well as USA to acquaint himself of the latest technology and also to working with commercial, financial and administrative aspects of the business.

The Board of Directors of the Company appointed Shri Deepak N. Choksi as Managing Director for a period of two years from w.e.f. 25th February, 2003 subject to approval of the Shareholders in terms of sections 269 read with Schedule XIII and other applicable provisions of the Companies Act, 1956. The terms of remuneration including salary, commission and perquisites payable to him w.e.f. 25th February, 2003 as approved by the Board subject to approval of the Shareholders are as follows :

REMUNERATION :

- a) Salary : Rs. 22,500/- (Rupees Twenty Two Thousand Five Hundred only) per month. The Board shall also have the right to pay higher amount of salary as may be decided by the Board.
- b) Commission : In addition to salary, perquisites and other allowances, commission based on the net profits of the Company computed in the manner laid down in the section 349 of the Companies Act, 1956 subject to the provisions of section 198 and section 309 and other applicable provisions, if any, percentage and of such amount as the Board of Directors may determine keeping in view the performance of the Company in respect of each financial year.
- c) In addition to salary and commission, the following perquisites shall be allowed to Shri Deepak N. Choksi :
 1. Housing : Shri Deepak N. Choksi shall be entitled to rent free furnished accommodation. The expenditure incurred by the Company on gas, electricity, water, and furnishings shall be valued as per the Income-tax Rules, 1962. This shall however, be subject to a ceiling of 10% of the Salary.
In case no accommodation is provided by the Company, Shri Deepak N. Choksi shall be entitled to House Rent Allowances as may approved by the Board of Directors.
 2. Medical Reimbursement : Expenditure incurred for self and family subject to one month's salary in a year or 2 month's salary over a period of 2 years.
 3. Leave Travel Allowance : For self and family once in a year in accordance with the Rules of the Company.
 4. Club Fees : Fees of Clubs subject to a maximum of 2 Clubs. This will not include Admission and life membership fees.
 5. Personal Accident insurance as per the Rules of the Company.
 6. Provision of a car for use of Company's business and telephone at residence will be provided, but will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Shri Deepak N. Choksi.

DYNAMIC INDUSTRIES LIMITED

7. Contribution to Provident fund, Superannuation Fund will not be included in the computation of ceiling on perquisites to the extent this either singly or put together is not taxable under the income-tax Act, 1961. Gratuity payable will not exceed half a month's salary for each completed year of service.
8. Earned / Privilege Leave : On full pay and allowance, as per Rules of the Company but not more than one month's leave for every eleven months of service shall be allowed. Leave accumulated at the end of his current term will be allowed to be encashed.

In the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company may pay to Shri Deepak N. Choksi remuneration by way of Salary, perquisites in section II of part of Schedule XIII of the Companies Act, 1956.

Shri Deepak N. Choksi is interested in the resolution as it relates to his own appointment and remuneration. No other Director is interested in the said resolution.

Regd. Office :

5501/2, Phase III,

Near Trikampura Cross Roads,

G.I.D.C., Vatva, Ahmedabad -382 445

Date : 30 - 06 -2003

By Order of the Board

DEEPAK CHOKSI

CHAIRMAN

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in placing before you the Fourteenth Annual Report and Audited Accounts for the year ended on 31st March, 2003.

The Financial results of the company for the year under review are as under :

	2002-03	2001-02
Total Income	3004.30	2230.12
Profit before depreciation and tax	269.75	109.10
Depreciation	43.88	35.54
Provision for taxation :		
Current Year	48.00	2.75
Deferred tax	11.01	13.22
Profit after tax	166.86	57.59
Prior period Adjustment	(0.50)	-
Profit balance brought forward	131.78	74.19
Appropriation		
General Reserve Fund	15.00	-
ECU Development Fund	6.50	-
Proposed Dividend	34.17	-
Balance carried to Balance Sheet	242.48	131.78

DIVIDEND

Your Directors are pleased to recommend Dividend @ 10% (Rs. 1/- per share) on equity shares for the year ended 31st March, 2003.

PERFORMANCE

In spite of severe recessionary conditions, the performance of your Company for the year under review has remained quite encouraging. The income from operations was Rs.3004.30 lacs (previous year Rs. 2230.12 lacs). The net profit after tax was Rs. 166.86 lacs (previous year Rs. 57.59 lacs).

The direct export has increased from Rs. 1633.65 lacs to Rs. 1989.88 lacs which shows a rise of 21.80. %.

FUTURE OUTLOOK

The Company has continued to focus on the export market. The quality products of the Company have established a name and brand image in domestic as well as abroad market. The thrust on the competitive strength and consolidation of customer relationship has carved a bright future for the Company. Looking to overall good response to the products of the Company, your Directors are optimistic of achieving higher turnover and profits during current financial year.

DIRECTORATE

Shri Harin Mamladarna, Director of the Company who retires by rotation, and being eligible, offers himself for appointment.

Shri Deepk R. Sheth, Shri Bankim M. Patel and Shri Paresh C. Patel were appointed as additional Directors of the Company on 26-03-2003. They hold office upto the ensuing Annual General Meeting. Brief resume of the above Directors, their experience, other directorships, membership of the Committees are given in the section on Corporate Governance elsewhere in the Annual Report. Your Directors recommend their appointments.

Shri Raghav Lakhmani, Director of the Company resigned from the directorship of the Company during the year under review. Your Directors express their deep sense of appreciation for the services rendered by him during the tenure of his office.

DISCLOSURE ON STOCK EXCHANGES

The equity shares of the Company are listed on the Ahmedabad and Mumbai Stock Exchanges. The Company has paid necessary Listing fees for the year 2003 -2004 to both the Stock Exchanges.

FIXED DEPOSITS

The Company has not accepted any deposits from the public.

DYNAMIC INDUSTRIES LIMITED**INSURANCE**

All the properties and assets of the Company are adequately insured.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

In accordance with the provisions of 217(1)(E) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earning & outgo is given in Annexure-1 to the Directors' Report.

CORPORATE GOVERNANCE

The issue of Good Corporate Governance has assumed increased significance in the recent past. The Company has complied with the recommendations and code on Corporate Governance. A separate Report on Corporate Governance produced as a part of Annual Report along with the Auditors' Certificate thereon.

PARTICULARS OF EMPLOYEES

The information pursuant to the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is nil.

PERSONNEL

Relations between the Employees and the Management continued to be cordial during the year under review. Your Directors hereby place on record their appreciation for the efficient and loyal services rendered by the employees of the Company at all levels.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000, your Directors state :

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and a fair view of the state of affairs of the Company at the end of the financial year ended on 31.03.2003 and of the Profit of the Company for the year ended on 31.03.2003;
3. that the Directors have taken proper and sufficient care 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;
4. that the Directors have prepared annual accounts on a going concern basis.

AUDITORS

M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a certificate under section 224(1)(B) of the Companies Act, 1956 from them. You are requested to appoint the Auditors and fix their remuneration.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their gratitude for the co-operation and support from its customers, vendors, bankers and business associates and look forward to their continued support.

The Directors gratefully thank the shareholders for the confidence reposed in the Company. Your Directors also wish to place on record their sincere appreciation of the valuable contribution and efforts made by all the employees to achieve success in these trying times.

For & On Behalf of the Board of Directors

DATE : 30 June, 2003

PLACE : Ahmedabad

DEEPAK CHOKSI
CHAIRMAN