

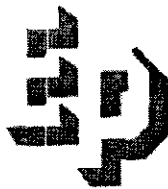


Ecoplast Limited

Eighteenth Annual Report and Statement of Accounts for the year ended 31st March, 2000

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Ecoplast Limited

Eighteenth Annual Report 1999-2000

Board of Directors	: Mr. P. P. KHARAS Mr. JAYMIN B. DESAI Mr. BHUPENDRA B. DESAI – (Alternate to Mr. Bankim B. Desai) Mr. P. D. KARKARIA Mr. J. A. MOOS	– Chairman & Managing Director – Executive Director – Director – Director – Director
Secretary	: Mr. M. S. Moholkar	
Bankers	: UNION BANK OF INDIA B. S. Marg, Mumbai – 400 023.	
Legal Advisors	: M. S. Bodhanwalla & Co. Motililbai Wadia Building, 22D, S. A. Brelvi Road, Fort, Mumbai – 400 001.	
Auditors	: M/s. AKKAD MEHTA & CO. Chartered Accountants, 10, Ketayun Mansion, Shahaji Raje Marg, Vile Parle (E), Mumbai – 400 057.	
Share Registrars	: Tata Share Registry Ltd. Army & Navy Building, 148, Mahatma Gandhi Road, Fort, Mumbai – 400 001. Tel. : 2873831 Fax : 2844160 Website : www.tata.com/tsrl	
Managers to the F.D. Scheme	: Tata Share Registry Ltd. Maker Towers 'E' 18th Floor, Cuffe Parade, Mumbai-400 005.	
Registered Office	: National Highway No. 8, Water Works Cross Road, Abrama– Valsad, Valsad – 396 001, GUJARAT.	
Head Office	: 4, Magan Mahal, 215, Sir. M. V. Road, Andheri (E), Mumbai-400 069.	
E-mail Address	: ecoplast@bom3.vsnl.net.in	
Web site	: http://www.ecoplastindia.com	

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NOTICE TO MEMBERS

NOTICE is hereby given that the EIGHTEENTH Annual General Meeting of the Company will be held at the Registered Office of the Company at National Highway No. 8, Water Works Cross Road, Abrama Valsad, Valsad-396 001, at 11.00 a.m. on 1st Sept. 2000, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 and Profit and Loss Account for the year ended on that date, and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. P.D. Karkaria, who retires by rotation and being eligible, offers himself for reappointment.
3. To declare a Dividend on Equity Shares for the financial year 1999-2000.
4. To appoint Auditors of the Company from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and fix their remuneration. M/s. Akkad Mehta & Co., Chartered Accountants, retiring Auditors of the Company are eligible for reappointment.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following resolution as a special resolution :

"RESOLVED THAT, pursuant to the guidelines prescribed by the Securities and Exchange Board of India in respect of voluntary delisting of Securities; the Company hereby approves the delisting of Equity Shares of the Company from the Stock Exchange at Ahmedabad and the Board of Directors of the Company be and is hereby authorised to do all such deeds, matters and things including execution of any documents for this purpose.

By Order of the Board

M. S. MOHOLKAR
Secretary

Place : Mumbai
 Dated : 6th June, 2000.
 Registered Office : National Highway No. 8,
 Water Works Cross Road, Abrama - Valsad, 396 001.

Notes :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED MUST BE RETURNED SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.
- (b) The Register of Members and the share transfer books of the Company will remain closed from 1st August, 2000 to 1st September, 2000 (both days inclusive).
- (c) Dividend as recommended by the Directors for the year ended 31st March, 2000 if declared, will be payable to those shareholders whose names appear in the Register of Members as at the close of business on 1st Sept. 2000 and the dividend warrants will be posted to them on or after the date of AGM.
- (d) Members who are holding shares in identical order of names in more than one account are requested to intimate to the Tata Share Registry Ltd., at their office situated at 148, Army & Navy Building, Mumbai-400 001, the ledger folio of such accounts together with the Share Certificates to enable the Company to consolidate all the holdings into one account. The Share Certificates will be returned to the members after making the necessary endorsement in due course.
- (e) Members are requested to bring their copy of the Annual Report to the Annual General Meeting. As a measure of economy no extra copies of the Annual Report will be supplied at the meeting.
- (f) Members are requested to notify any change in their address to the Tata Share Registry Ltd.
- (g) Members seeking further information on the Accounts or any other matter contained in the Notice, are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.

ANNEXURE TO NOTICE

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

The Shares of the Company are at present listed with the Vadodara, Mumbai & Ahmedabad Stock Exchanges.

The Board of Directors therefore proposes that the shares of the company should be delisted from the Ahmedabad Stock Exchange in accordance with the guidelines prescribed by SEBI, in respect of voluntary delisting of securities. The listing of the Shares will however continue with the Vadodara Stock Exchange, which is a regional Stock Exchange and also with the Mumbai Stock Exchange.

The Board of Directors therefore commend the approval by the members of the Special Resolution at Item No. 5 of the Notice.

None of the Directors of the Company is interested in this resolution.

By Order of the Board

M. S. MOHOLKAR
Secretary

Place : Mumbai
 Dated : 6th June, 2000

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FINANCIAL HIGHLIGHTS	31.3.2000	31.3.99	31.3.98	31.3.97	31.3.96
OPERATION					(Rs. '000)
Sales (Net)	214,939	133,491	161,549	229,679	179,867
Other Income	1,626	1,104	861	1,051	1,021
Operating Income	14,053	5,862	10,430	26,111	21,422
(Before depreciation and Investment Allowance)					
Profit before tax	8,423	547	5,314	20,298	17,186
Profit after tax	6,983	547	4,864	15,348	16,086
Dividend & Corporate Tax thereon	3,660	0	1,980	6,600	5,400
Retained Earnings	3,323	547	2,884	8,748	10,686
Earnings per Share (Rs.)	2.33	0.18	1.62	5.12	5.36
[On Face Value of Rs. 10/-]					
ASSETS					
Gross Block	140,133	136,987	126,851	124,960 *	119,203 *
Net Block	96,522	99,825	96,041	100,312 *	100,369 *
Net Current Assets	47,503	49,900	64,849	70,511	49,308
Total Assets	189,837	182,049	186,905	214,721	201,214
NET WORTH					
Equity Capital	30,000	30,000	30,000	30,000	30,000
Reserves and Surplus	84,246	81,970	82,469	80,631 *	71,296 *
Net Worth	114,246	111,970	112,469	110,631 @	101,296 @
Book Value per Share (Rs.)	38.08	37.32	37.49	36.88 *	33.77 *
[On Face Value of Rs. 10/-]					
BORROWINGS					
Long Term	3,124	10,846	14,623	21,333	26,170
Short Term	30,351	29,343	36,596	35,422	25,735
	33,475	40,189	51,219	56,755	51,905
RATIOS					
Profit before tax to Sales and Other Income	%	3.92	0.41	3	9
Profit before tax to Net Worth	%	7.37	0.49	5	18
Dividend to Equity Capital	%	10	0	6	20
Dividend to Net Worth[Yield]	%	3	0	1.76	5.97
Return on Capital Employed	%	15	8	12	21
Dividend Cover	Times	1.91	0	2.46	2.33
Current Ratio	Ratio	1.40:1	1.59:1	1.78:1	1.46:1
Long Term Debt : Equity	Ratio	0.10:1	0.36:1	0.49:1	0.71:1

* Subsequent to revaluation of Fixed Assets

** Pro-rata on enlarged capital

@ Subsequent to Issue of Bonus Shares in the ratio of 3 : 1

SOURCES AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31ST MARCH, 2000

	[Rs. '000]	
	31.3.2000	31.3.99
	Rs.	Rs.
SOURCES OF FUNDS		
Profit before tax	8,423	547
Depreciation and Preliminary Exp.	5,765	5,679
Decrease in Working Capital	2,400	14,949
	16,588	21,175
APPLICATION OF FUNDS		
Expenditure on Fixed Assets	3,146	10,146
Increase in Investment	1,625	0
Increase in Working Capital	0	0
Decrease in Borrowing	6,716	11,029
Income-tax	1,441	0
Dividend & Corporate Tax thereon	3,660	0
	16,588	21,175

DIRECTORS' REPORT

To
The Shareholders,

The Directors present the Eighteenth Annual Report and Audited Accounts for the year ended 31st March, 2000.

1. FINANCIAL RESULTS

	(Rs. '000s)	
	31.3.2000	31.3.1999
Net Sales	214,939	133,491
Other Income	1,626	1,104
Sales and Other Income	215,334	134,595
Operating Profit (before Depreciation)	14,053	5,862
Less: Depreciation	5,630	5,315
Profit before tax	8,423	547
Less: Provision for tax (including Rs. 581 for earlier years)	1,441	-
Profit for the year (after tax)	6,982	547
Balance brought forward	7,140	6,592
	14,122	7,139
APPROPRIATION		
Transfer to General Reserve	2,000	-
Dividend on Equity Shares	3,000	-
Corporate Dividend Tax	660	-
Balance Carried Forward	8,462	7,139
	14,122	7,139

2. OPERATIONS:

Your Company has made a significant improvement in its Operating Results for the year ended 31st March, 2000. The Net Sales income increased by 61% to Rs.214.9 million (Rs.133.5 million). The sales volume for the year was at 3101 MT, an increase of 33% over the previous year. The Company has achieved a net profit after tax of Rs.6.9 million as against Rs.0.55 million, the previous year.

The Company exported 189 MT of film valued at Rs.12.3 million for the first time. The quality and specifications of the film matched those of European suppliers with competitive prices, shorter delivery times and technical service support.

The improvement in sales is due to the efforts made by the Company to move from being a predominant supplier to the Flexible Packaging industry, to speciality market segments.

The Company acquired management control in Jampore Printers Ltd. to improve the quality of printed films and to remain competitive by reducing costs. The improvement in quality has brought about a marked change in customer satisfaction and will pave the way for better penetration and higher sales volumes for printed films in packaging of food commodities.

3. DIVIDEND :

The Directors recommend a dividend of 10% for the year on the equity capital to the members, for approval at the Annual General Meeting.

4. CAPITAL & FINANCE :

The Company's Working Capital Facilities with Union Bank

of India has been renewed at Rs.30.00 Million with some modifications to suit the Company's requirements.

The Company has repaid Rs.7.2 Million towards term loan repayment to Union Bank of India and Rs.0.15 Million to GSFC.

5. BORROWING :

The company continued accepting Fixed Deposits from the Public during the year under review. The Company has collected Rs.1.35 Million under the scheme during the year. At the close of the year there were no fixed deposits due for payment which remained either unclaimed or unpaid except 24 deposits amounting to Rs.6,93,000 which have matured but not claimed. The Company has complied with all the requirements of the Companies (Acceptance of Deposits) Rules 1975.

6. Y2K COMPLIANCE :

The Company successfully completed the modifications in computer systems, well in time, to be Y2K compliant.

7. PROSPECTS FOR THE CURRENT YEAR :

The Company has gained an excellent reputation by supplying "zero defect films" over the last two years to three key speciality market segments.

These new applications, which are also import substitutes, along with the export of films will help maintain the growth in sales and profits in the current year.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information in accordance with Clause (e) of sub-section (1) of section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the financial year ended 31st March, 2000 is given in the Annexure to the Report.

9. PARTICULARS OF EMPLOYEES :

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. However, as per the provisions of Section 219 (1)(b) (iv) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company excluding the Statement of Particulars of Employees under Section 217 (2A) of the Act. Any shareholder interested in obtaining a copy of the statement may write to the Secretary at the Registered Office of the Company.

10. AUDITORS' QUALIFICATIONS :

The Auditors have qualified their Report with regard to the issue of Bonus Shares to the tune of Rs.10 Million by capitalisation of Revaluation Reserve on the plea that this is contrary to the recommendation of the Institute of Chartered Accountants of India.

In this connection the Directors would like to clarify that the Company has been legally advised that the provisions of the Companies Act, 1956 do not prohibit or restrict the Company from capitalising its Revaluation Reserves by issue of Bonus Shares. The Capitalisation does not involve any release of the Company's assets to its shareholders and in fact it freezes any possibility of its distribution except in the event of winding up. This legal position has been confirmed by English Courts in the case of Dimula Valley (Ceylone) Tea Ltd. v. Laurie.

Further more the Memorandum and Articles of Association also provides for and permits the capitalisation of Revaluation Reserves by issue of Bonus Shares. The Bonus Shares

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were issued when the Company was a closely held non-listed Company, to whom the guidelines for issue of Bonus Shares by Public Company as framed by SEBI did not apply at the relevant time. The recommendation was issued by the Institute of Chartered Accountants of India subsequent to the Company's issue of Bonus Shares. The Directors are therefore of the opinion that both according to the accounting principles and principles of Company Law, the Company is justified in capitalising its Revaluation Reserve.

11. **SUBSIDIARY COMPANY :**

During the year under review the Company invested in 5001 Equity Shares of Rs.100/- of Jampore Printers Ltd at the cost of Rs.1.67 million. As a consequence of this investment Jampore Printers Ltd became a subsidiary of the Company.

As required u/s. 212 of the Companies Act, 1956 annexed hereto are the Audited Statement of Accounts, Report of Board of Directors and Auditors for the year ended 31st March, 2000 of Jampore Printers Ltd.

12. **LISTING OF EQUITY SHARES :**

The Company's Equity Shares are listed on the Stock Exchange, at Mumbai, Baroda and Ahmedabad.

The company has paid listing fees for the period 1st April, 2000 to 31st March, 2001.

13. **DIRECTORS :**

Mr. P.D. Karkaria, Director of the Company retires by rotation

at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

14. **AUDITORS**

M/s. Akkad Mehta & Co., Chartered Accountants, Auditors of the Company retire at the Annual General Meeting. They are however, eligible for reappointment. A certificate to the effect that their re-appointment if made, will be in accordance with the limit specified in sub-section (1-B) of section 224 of the Companies Act, 1956 has been furnished.

15. **ACKNOWLEDGEMENT**

The Board wishes to place on record its appreciation for the co-operation of all employees and for their successful efforts in the development of new film structures. The Directors wish to acknowledge the support and co-operation extended by Union Bank of India, and Gujarat State Financial Corp. and not the least its shareholders for their continuing support and confidence in the Company during the difficult period.

On behalf of the Board of Directors

P. P. KHARAS

Chairman & Managing Director

Place : Mumbai

Dated : 6th June 2000.

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT.

A. **CONSERVATION OF ENERGY:**

Adequate measures have been taken to avoid wastage of energy. The requirement of disclosure with respect to conservation of energy is not applicable to the Company.

B. **TECHNOLOGY ABSORPTION:**

RESEARCH & DEVELOPMENT (R & D)

1. Specific areas in which R & D was carried out by the Company:

The development of film structures as import substitutes for:-

- Processed food packaging
- Thermal Laminating films

The other major development involved making a film used in the manufacture of Telephone Cable for export.

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

These developments resulted in the Company entering Speciality films market segments, and higher value added films.

For our customers these developments meant better cost-performance benefits.

These developments helped savings in foreign exchange by reducing imports of these films.

3. Future plan of Action:

- (a) To continue development of special purpose films which are currently being imported.
- (b) To evaluate new generation of polyolefins, that have the potential to provide lighter weight packaging (reducing thickness), without compromising on performance or can be employed for higher packaging speeds, while at the same time reducing leakage rates.

- (c) To simulate packaging conditions and provide to customers comparative behaviour patterns of existing and new polymers on packaging systems.

4. **R&D Expenditure**

	(Rs.'000)	
	31.3.2000	31.3.99
a. Capital Expenditure	635	3
b. Recurring Expenditure	381	329
c. Total Expenditure	1016	332
d. Total R&D Expenditure as a percentage of total turnover (Indirect overheads in terms of significant time, effort and the infrastructure supporting the R & D programme are not reflected in the above figures)	0.47%	0.24%

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

Continuous efforts are made towards technology absorption, adoption and innovation by developing new film structures for applications in speciality market segments. The thrust has been on improving the quality of all products and developing new products to compete effectively in the market place.

No technology has been imported by the Company over the last five years.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars with regard to Foreign Exchange Earnings and Outgo appear in Schedule 16 under Note 10 forming part of the accounts.

On behalf of the Board of Directors

P. P. KHARAS

Chairman & Managing Director

Place : Mumbai

Dated : 6th June, 2000



AUDITORS' REPORT

To
The Shareholders
ECOPLAST LIMITED

We have audited the attached Balance Sheet of **M/s. ECOPLAST LIMITED** as at 31st March, 2000 and the Profit and Loss Account for the year ended on that date annexed thereto and report that:

1. 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 enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 such books.
 - (c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
 - (d) In our opinion, the Profit and Loss Account and Balance Sheet complies with the mandatory accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) The company when it was unlisted had issued Bonus shares on 29th June, 1994, for Rs. 10 Million (10,00,000

equity shares of Rs. 10/- each) by capitalising part of its revaluation reserve. Accordingly, the paid up equity share capital of the company stands increased by Rs. 10 Million and the revaluation reserve stands reduced by that amount. The issue of bonus shares as aforesaid is contrary to the circular issued by the Department of Company Affairs issued in September, 1994 and the recommendations of the Institute of Chartered Accountants of India issued in November, 1994.

- (f) Subject to foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:-
 - i) in so far as it relates to the Balance Sheet, of the state of affairs of the company as at 31st March, 2000 and
 - ii) in so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

For **AKKAD MEHTA & CO**
Chartered Accountants

SANJAY MEHTA
Partner

Mumbai, 6th June, 2000

ANNEXURE TO THE AUDITORS' REPORT (Referred to in paragraph 1 thereof)

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We are informed that major portion of the Fixed Assets have been physically verified by the management during the year in accordance with phased programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. As explained to us no material discrepancies were noticed on verification.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished goods, spares and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
4. The procedures of 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. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
6. In our opinion, the valuation of stocks is fair and proper in accordance with generally accepted accounting principles. As explained in Note 9(a) and 9(b) of Schedule 16 to the financial statements the Company has changed the method of arriving of cost of raw materials from purchase price to purchase price net of trade discount. Similarly in respect of semi-finished and finished goods cost formulae has been changed to include other manufacturing costs incurred in bringing the inventories to its present location and condition.

in compliance with the requirements of Accounting Standard (AS2) on valuation of Inventories. The impact of these changes is not material to the financial statements as at 31st March, 2000.

7. The Company has taken loans from Companies listed in the register maintained under Section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions of these loans are prima facie not prejudicial to the interest of the Company. We are informed that there are no Companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956.
8. In respect of unsecured loans granted to companies firms or other parties listed in the registers maintained under section 301 of the Companies Act, 1956, in our opinion, the rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the company. In terms of Sub-Section (6) of Section 370 of the Companies Act, 1956, provisions of the section are not applicable to a company on or after 31st October, 1998.
9. Employees and other parties to whom loans and advances in the nature of loans have been given by the company are repaying principal amounts wherever stipulated and are also generally regular in payment of interest wherever applicable.
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 with regard to purchases of stores, raw materials including components, plant and machinery, equipment and other assets and with regard to the sale of goods.
11. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and aggregating during the year to Rs. 50,000 or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.
12. As explained to us, the Company has a regular procedure for the determination of unserviceable or damaged stores, raw materials and finished goods. Adequate provision has been made in the accounts for the loss arising on the items so determined.

13. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted by the company from the public.
14. In our opinion and according to the information and explanations given to us reasonable records have been maintained by the Company for the sale and disposal of realisable scrap. The Company has no by-products.
15. Present coverage of audit by the Internal Auditors appointed by the Company, together with the present internal control system is commensurate with the size of the Company and nature of its business and is, in our opinion, adequate.
16. We are informed that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for the products of the Company.
17. According to the records of the Company Provident Fund and Employees' State Insurance dues where deducted/accrued in the books of account, have generally been regularly deposited during the year with the appropriate authorities.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, as at 31st March, 2000 for a period of more than six months from the date they became payable.
19. According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
20. The Company is not a sick industrial Company within the meaning of clause (o) of sub-section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For AKKAD MEHTA & CO
Chartered Accountants

SANJAY MEHTA
Partner

Mumbai
6th June, 2000



BALANCE SHEET AS AT 31ST MARCH, 2000

	SCHEDULE	31.3.2000 Rs.	31.3.1999 Rs.
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	30,000,000	30,000,000
Reserves and Surplus	2	84,246,359	81,969,902
		<u>114,246,359</u>	<u>111,969,902</u>
LOAN FUNDS			
Secured Loans	3	10,133,701	22,170,080
Unsecured Loans	4	23,340,739	18,019,546
		<u>33,474,440</u>	<u>40,189,626</u>
		<u>147,720,799</u>	<u>152,159,528</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	140,132,586	136,987,360
Less : Depreciation		43,610,105	37,162,287
NET BLOCK		<u>96,522,481</u>	<u>99,825,073</u>
INVESTMENTS			
	6	1,875,335	250,000
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	7	22,126,787	22,102,278
Sundry Debtors	8	53,437,882	44,279,851
Cash & Bank Balances	9	5,429,731	6,055,508
Loans and Advances	10	8,625,955	7,450,295
		<u>89,620,355</u>	<u>79,887,932</u>
Less: Current Liabilities & Provisions	11	42,117,394	29,987,501
NET CURRENT ASSETS		<u>47,502,961</u>	<u>49,900,431</u>
MISCELLANEOUS EXPENDITURE	12	1,820,022	2,184,024
NOTES TO THE ACCOUNTS	16	<u>147,720,799</u>	<u>152,159,528</u>

Note: Schedule 1 to 12 and 16 referred to herein form an integral part of the Balance Sheet.

As per our Report of even date.
For **AKKAD MEHTA & CO.**
Chartered Accountants

P. P. KHARAS

Chairman & Managing Director

SANJAY MEHTA
Partner

JAYMIN B. DESAI

P. D. KARKARIA

Directors

Mumbai,
Dated : 6th June, 2000.

M. S. MOHOLKAR

Secretary