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Annual Report
2001-2002

EMMSONS
INTERNATIONAL
LIMITED

BOARD OF DIRECTORS

Anil Monga	Managing Director
Madan Lal Monga	Director
Rajesh Monga	Whole Time Director
Sanjeev Monga	Director
Malti Khanna	Director

BANKERS

INDIAN OVERSEAS BANK
A-19/22 Moolchand Shopping Complex
Defence Colony, New Delhi

ORIENTAL BANK OF COMMERCE
Overseas Branch, M-33, Greater Kailash-II,
New Delhi-110048

AUDITORS

SURESH & ASSOCIATES
3A, Bigjo's Tower, Netaji Subhash Place
Pitampura, Delhi-110034

REGISTERED OFFICE

2937, First Floor,
Naya Bazar, Delhi-110006

ADMN. OFFICE

101, South Delhi House,
12, Zamrudpur Community Centre
Kailash Colony, New Delhi-110048

SHARE REGISTRAR

IN-HOUSE SHARE REGISTRY
3 Community Centre,
Naraina Industrial Area, Phase-1,
Near Payal Cinema, New Delhi-110028

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NOTICE

NOTICE is hereby given that Tenth Annual General Meeting of the Company will be held on Friday, the 27th day of September, 2002 at 11:00 AM at Madhuban Holiday Inn, R-71 Greater Kailash-I, New Delhi-110048 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2002 and Profit & Loss Account for the year ended on that date together with Auditor's Report and Report of Directors.
2. To declare dividend on Shares.
3. To appoint a Director in place of Shri Sanjeev Monga, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company in place of M/s Suresh & Associates, Delhi, who retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

By Order of the Board
for EMMSONS INTERNATIONAL LTD.
Sd/-
(ANIL MONGA)
MANAGING DIRECTOR

REGISTERED OFFICE
2637, First Floor,
Naya Bazar,
Delhi-110 006

Dated : 18.07.2002
Place : New Delhi

NOTES

1. The Dividend declared, if any, will be paid to those Members whose name appears in the Register of Members of the Company as on 18.09.2002. The Dividend will be paid only on fully paid shares and the members, whose allotment money remain in arrears will not be entitled for dividend.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 19th September 2002 to 26th September 2002 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend on the Equity Shares for the Year ended 31st March 2002, if approved at the Annual General Meeting, to the Shareholders whose names appear :-

   a) As Beneficial Owners as at the end of 17th September 2002, as per the list to be furnished by the Depositories in respect of the Shares held in electronic form, and

   b) As Members in the Register of Members of the Company as on 18th September 2002 after giving effect to all valid share transfers in physical form which are lodged with the company on or before 17th September 2002.
3. The dividend will be paid subject to deduction of tax at applicable rates. However, no tax at source will be deducted if the dividend amount payable to an individual Shareholder does not exceeds Rs. 1000/-. The Shareholders (eligible under the Income Tax Act) who desire to receive payment of dividend without deduction of tax at source may file declaration in Form 15G, in duplicate on or before 17th September 2002 with the company.
4. Members desiring any information as regards Accounts are requested to write to the Company at its Registered Office at least 10 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
5. All Members / Proxies should bring the attendance slip sent herewith duly filled for attending the meeting.
6. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and proxy need not be a member.
7. The instrument of appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
8. All documents, referred to in the accompanying Notice and explanatory statement are open for inspection at the Regd. Office of the Company on all days, except holidays, between 11 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.
9. Members are requested to bring their copy of Annual Report alongwith them to the Annual General Meeting.

DIRECTORS' REPORT

TO THE SHAREHOLDERS

The Directors of your Company have pleasure in presenting their Ninth Annual Report together with the Audited Accounts of the Company for the Year ended 31st March, 2002.

1. FINANCIAL RESULTS:

(Rs. In lacs)

	2001-2002	2000-2001
Gross Sales & Income	21549.18	9405.73
Profit before Interest, Depreciation and Taxation	851.90	230.89
Less: Interest & Finance Charges	237.83	159.82
Depreciation	9.44	8.21
Profit Before Taxation	602.83	62.27
Less: Provision for Taxation	58.00	Nil
Provision for deferred Taxation	1.57	Nil
Profit After Taxation	543.26	62.27
Add: Balance brought forward from the previous year	474.21	432.06
Excess Provision for I.Tax Written back	Nil	6.24
	1017.47	478.58
Less: Provision for I.Tax for Previous years	Nil	4.35
DISPOSABLE PROFIT	1017.47	474.21
That the Directors recommend for Appropriation as under:		
Proposed Dividend	72.91	NIL
Transfer to General Reserve	200.00	NIL
Balance carried to Balance Sheet	744.56	474.21
	1017.47	474.21

2. DIVIDEND:

Your Directors are pleased to recommend dividend at the rate of Rs 1.00 per share on the fully paid equity shares of Rs. 10 each for the financial year ended 31st March 2002. The Members, whose allotment money still remains in arrears, will not be entitled to dividend. The dividend, if approved, will be paid to those members whose names appear in the Register of Members of the Company as on 26.09.2002.

3. YEAR IN RETROSPECT:

The year under review was one of the encouraging years for your company. The Government's Policy of allowing subsidised rice and wheat to exporters, introduced towards the end of last year, has brought the international customers back to India and your company was able to perform satisfactorily during the year. The company was able to emerge as one of the leading exporters of rice and wheat from India and made inroads into several new markets. The Gross Income of the company rose to Rs. 215.49 Crore as compared to Rs 94.10 Crore recorded during the previous year, recording an increase of 129%. Intensive efforts made by your Company in promotion of exports from the Country were recognised as it was awarded the Status of "Star Trading House" for a period of three Years.

4. EXPORTS:

The sustained Government Policy of supplying rice and wheat at the internationally competitive prices has proved fruitful, and during the year under review your Company recorded impressive growth in exports. The export turnover increased to Rs. 187.10 Crore from Rs. 60.01 Crore recorded during the previous year, showing a jump of 212%.

5. PROSPECTS FOR THE CURRENT YEAR:

With the assurance from the Government that the policy of sale of subsidised rice and wheat for exports will continue on long-term basis, your company has further intensified its efforts to enter hitherto untapped markets. Your directors expect the company to perform even better during the current year.

6. JOINT VENTURES / ASSOCIATE COMPANIES:

a) Joint Venture in South Africa

In view of the adverse market conditions prevailing in South Africa, the company has not made any investment in the venture.

b) Internet Service Provider (ISP) Business in India

M/s Ennmoons Infotech Limited, a joint venture between your company and Warsone Investment Ltd. UK has been functioning as Internet Service Provider (ISP) in Chandigarh and Ludhiana. The year 2001-02 was one of the most difficult years for the Information Technology (IT) companies and Ennmoons Infotech also was hit by the slowdown in the economy. However, things have started looking up and the company expect to stabilise its operation during current year.

7. INSURANCE:

All assets of the Company including its plant and machinery and stocks have been adequately insured.

8. FIXED DEPOSITS:

The company has not accepted any deposit from public during the year ended 31st March 2002 under Section 58-A of the Companies Act, 1956.

9. DIRECTORS:

Shri Sanjeev Monga retires by rotation pursuant to the provisions of the Companies Act 1956 and Articles of Association of the Company and being eligible, offers himself for re-appointment.

10. AUDITORS' REPORT:

The Auditors' observations are self-explanatory and, therefore do not call for any further comments.

11. AUDITORS:

M/s Suresh & Associates, Chartered Accountants, the Auditors of the Company retire at the ensuing Annual

General Meeting and have expressed their willingness to continue in the office, if re-appointed. You are requested to re-appoint them and authorise the Board to fix their remuneration and out of pocket expenses.

12 LISTING OF SECURITIES.

The securities of the Company are listed on The Delhi Stock Exchange Association Limited, DSE House, 3/1, Asaf Ali Road, New Delhi – 110 002, The Ludhiana Stock Exchange Association Limited, Feroze Gandhi Market, Ludhiana and The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai. The company has duly paid the listing fee to all the aforesaid Stock Exchanges for the financial year 2002-2003.

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

As the company is not covered in schedule A of Companies (Disclosure of Particulars in report of Board of Directors) Rules, 1988, provisions of Section 217 (1) (e) of the Companies Act, 1956 are not applicable.

14 PERSONNEL

Industrial relations continued to be cordial during the year. The Board wishes to place on record its appreciation for the sincere efforts made by the employees at all levels. None of the employees falls within the purview of section 217 (2A) of the Companies Act, 1956.

15 ACKNOWLEDGEMENT

The Directors wish to thank and acknowledge the co-operation and assistance extended by the Company's bankers, shareholders and all those associated with the Company during the year under review.

For and on behalf of the Board

Sd/-
(ANIL MONGA)
MANAGING DIRECTOR

DATE 18.07.2002
PLACE NEW DELHI

Information required as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of Directors Reports for the year ended 31st March, 2002 -

Sl. No.	Name of Employee	Designation/ Nature of duties	Remuneration (Rs.)	Qualification	Age (Yrs)	Experience (Yrs)	Date of Employment	Particulars of Last Employment

(A) Persons Employed throughout the Financial year, who were in Receipt of Remuneration for the year which, in the aggregate was not less than Rs. 12,00,000/-

Nil

(B) Persons Employed for a part of the Financial year who were in receipt of Remuneration for any part of the year, at a rate which, in the aggregate, was not less than Rs. 1,00,000/- per month.

Nil

(C) Persons Employed throughout the financial Year or part thereof, who was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by whole time Director and holding himself or alongwith his spouse and dependent children, not less than 2 percent of the Equity shares of the Company -

1	Ms. B.R. Gandhi	V. P. (Finance)	420000	B. Com (Hons), ACA	40	20	01.10.01	Eastman Intertech Limited

Notes :-

1. Remuneration includes Salary, House Rent Allowance, Bonus, Contribution to Provident Fund, Leave Travel Concession, Medical Allowance and other allowances paid in cash and taxable value of non cash perquisites.

For and on behalf of the Board
Sd/-
(ANIL MONGA)
MANAGING DIRECTOR

DATE 18.07.2002
PLACE NEW DELHI

AUDITOR'S REPORT

To the Members of
EMMSONS INTERNATIONAL LIMITED

We have Audited the attached Balance Sheet of M/s EMMSONS INTERNATIONAL LIMITED 2637 Ist Floor, Naya Bazar, New Delhi-110006, as at 31st March 2002 and also the Profit and Loss Account for the year ended on that date annexed thereto. These Financial statement are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial Statements based on our audit.

We have conducted audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the 'Manufacturing and Other Companies (Auditor's report) Order 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956, We enclose annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:-

(i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(ii) 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.

(iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.

(iv) In our opinion, the Balance sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.

(v) On the basis of written representations received from the Directors as on 31st March, 2002 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2002 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

(vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

(a) in the case of the balance Sheet, of the state of affairs of the Company as at 31st March 2002 and

(b) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For Suresh & Associates
Chartered Accountants
Sd/-
Suresh K Gupta
Partner

Dated: 18.07.2002
Place: New Delhi

Annexure to Auditor's Report

Referred to Paragraph 1 of our report of even date attached

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management during the year. No serious discrepancies have been noticed on such verification. In our opinion, frequency of verification is reasonable.

2. None of the fixed assets has been revalued during the year.

3. The Stock of finished goods have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

4. The discrepancies noticed on verification between the physical stocks and the book records were not material.

5. The procedure of physical verification of stocks followed by the management are, in our opinion, reasonable and adequate in relation to the size of the company and nature of its business.

6. In our opinion, the valuation of stock is fair and proper in accordance with normally accepted accounting principles.

7. In our opinion and according to the information and explanation given to us, the company has not taken unsecured loans from firms, other parties listed in the register maintained under section 301 of the Companies Act, 1956 (1 of 1956).

8. In our opinion and according to the information and explanation given to us, the Company has not granted unsecured loans to firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 (1 of 1956).