

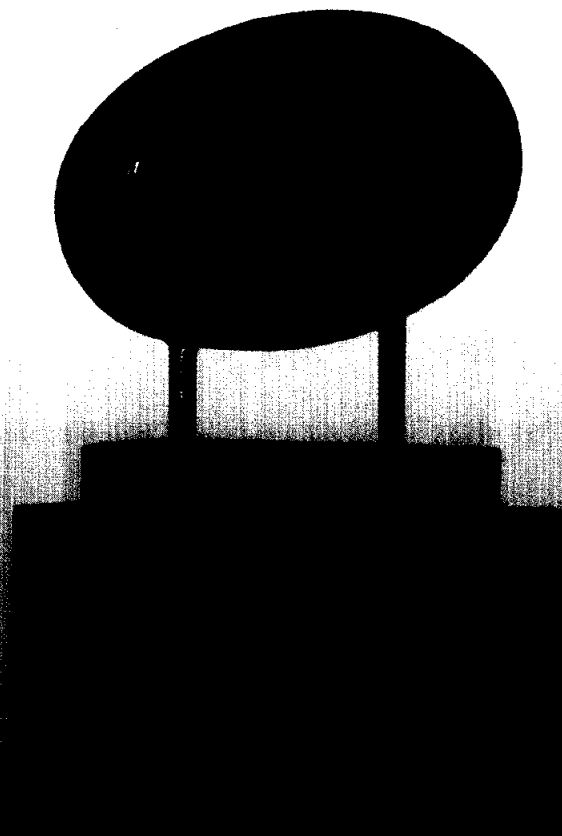
16TH

**ANNUAL REPORT
2001-2002**

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**EUROTEX INDUSTRIES AND
EXPORTS LIMITED**



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**EUROTEX
INDUSTRIES AND EXPORTS
LIMITED**

EUROTEX INDUSTRIES AND EXPORTS LIMITED

100% EXPORT ORIENTED UNIT

and Government recognised Golden Trading House.

An ISO 9002 and Oko-Tex Standard 100 Certificate Holder

BOARD OF DIRECTORS

Shri Krishan Kumar Patodia

Chairman and Managing Director

Shri Hariprasad Siotia

Shri Gopal Patodia

Shri Narayan Patodia

Managing Director

Shri Rajiv Patodia

Executive Director

Shri Gurmukh J. Mirchandani

Shri G. B. Marathe

Shri A. R. Garde

Shri Dharam Paul

Shri K. L. Kapur



PRESIDENT

Shri S. K. Mukerjee

COMPANY SECRETARY AND COMPLIANCE OFFICER

Shri R. K. Agrawal

BANKERS

**STATE BANK OF INDIA
BANK OF INDIA**

AUDITORS

LODHA & COMPANY
Chartered Accountants
Mumbai.

REGISTERED AND HEAD OFFICE

Raheja Chambers, 12th Floor,
213, Nariman Point, Mumbai - 400 021.

MILLS

E-23, MIDC Gokul Shirgaon,
Kolhapur - 416 234, Maharashtra.

E-1, MIDC Gokul Shirgaon,
Kolhapur - 416 234, Maharashtra.

SHARE TRANSFER AGENT

DATAMATICS FINANCIAL SERVICES LIMITED
Plot No.A-16/17 MIDC, Part B, Cross Lane,
Marol, Andheri (East), Mumbai - 400 093.

**EUROTEX
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LIMITED**

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Shareholders of EUROTEX INDUSTRIES AND EXPORTS LIMITED will be held at "The Residence", An Apartment Hotel, Saki Vihar Road, before Nitie, Powai, Mumbai 400 087 on Saturday, the 28th September, 2002 at 9.30 A.M. to transact, with or without modification, as may be permissible, the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Directors' Report, Auditors' Report, Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2002.
- 2) To declare Dividend on Preference Shares.
- 3) To appoint a Director in place of Shri. H. P. Siotia who retires from office by rotation and, being eligible, offers himself for reappointment.
- 4) To appoint a Director in place of Shri. Rajiv Patodia who retires from office by rotation and, being eligible, offers himself for reappointment.
- 5) To appoint a Director in place of Shri. A. R. Garde who retires from office by rotation and, being eligible, offers himself for reappointment.
- 6) To appoint auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

- 7) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT in partial modification of the terms and conditions approved by the Company in its Annual General Meeting held on 26th September, 1998 and modified by the Board of Directors on 30th January, 1999 and 11th July, 2001, the Company approves the further modification in the terms of remuneration to Shri. K. K. Patodia, the Managing Director to be applicable from 1st October, 2002 upto the unexpired period of his term of appointment i.e., upto 30th September, 2003.

Shri K.K. Patodia shall be paid following remuneration by way of Salary, Perquisites and Commission during his remaining tenure as Managing Director :

- a) **SALARY**
Salary of Rs. 85,000/- per month.
- b) **INCENTIVE**
Incentive Allowance up to 10% of the salary as may be determined by the Board from time to time at its own discretion.
- c) **PERQUISITES AS FOLLOWS**
 - i) Housing: Rent free accommodation will be provided to the appointee, the perquisite value of which will be considered as per Income Tax Rules. In case no accommodation is provided by the Company, House Rent Allowance subject to a ceiling of Rs.40,000/- per month shall be paid. In addition, the appointee shall be allowed Company owned furniture and fixtures, if required.
 - ii) The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.
 - iii) All Medical Expenses incurred in India or abroad by the appointee for self and his family shall be reimbursed.
 - iv) Leave Travel Concession for the appointee and his family will be allowed once in a year as per the Rules of the Company.
 - v) Fees of the clubs: Subject to a maximum of two clubs. This will not include admission and life membership fees.
 - vi) Personal Accident Insurance and Mediclaim Insurance: The premium of which shall not exceed Rs 25,000/- per annum.
 - vii) Contribution to Provident Fund @ 10% of the salary & contribution to Superannuation or Annuity Fund @ 15% of the salary.
 - viii) Gratuity: Gratuity at the rate of one month's salary, for each completed year of service.
 - ix) Free use of Company's car for Company's work as well as for personal purpose along with driver
 - x) Telephone at residence at Company's cost.
 - xi) Leave Unavailed of to be allowed to be encashed as per the rules of the Company.



xii) Subject to any statutory ceiling/s, the appointee may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

d) **COMMISSION**

In addition to Salary, Incentive and Perquisites, Shri K. K. Patodia, Chairman and Managing Director shall also be entitled to commission, the amount of which will be determined by the Board from time to time based on the net profits of the Company subject to the ceiling stipulated in Section 198 and 309 of the Companies Act, 1956.

e) **MINIMUM REMUNERATION**

The above appointee shall be paid the remuneration as stated above as minimum remuneration, in the event of inadequacy of profit subject to the ceiling of minimum remuneration as stated in part II, Section II of Schedule XIII of the Companies Act, 1956 with such modifications as may be therein from time to time, being in force."

8) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT in partial modification of the terms and conditions approved by the Company in its Annual General Meeting held on 1st September, 2001, the Company approves the modification in terms of remuneration to Shri Narayan Patodia, the Managing Director to be applicable from 1st October, 2002 upto the unexpired period of his term of appointment i. e., upto 31st December, 2006.

Shri Narayan Patodia shall be paid following remuneration by way of Salary, Incentive, Perquisites and Commission during his tenure as Managing Director :

a) **SALARY**

Salary of Rs. 60,000/- per month.

b) **INCENTIVE**

Incentive Allowance up to 10% of the salary as may be determined by the Board from time to time at its own discretion.

c) **PERQUISITES AS FOLLOWS**

- i) **Housing:** Rent free accommodation will be provided to the appointee, the perquisite value of which will be considered as per Income Tax Rules. In case no accommodation is provided by the Company, House Rent Allowance subject to a ceiling of Rs.40,000/- per month shall be paid. In addition, the appointee shall be allowed Company owned furniture and fixtures, if required.

ii) The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.

iii) All Medical Expenses incurred in India or abroad by the appointee for self and his family shall be reimbursed.

iv) Leave Travel Concession for the appointee and his family will be allowed once in a year as per the Rules of the Company.

v) Fees of the clubs: Subject to a maximum of two clubs. This will not include admission and life membership fees.

vi) Personal Accident Insurance and Mediclaim Insurance: The premium of which shall not exceed Rs 25,000/- per annum.

vii) Contribution to Provident Fund @ 10% of the salary & contribution to Superannuation or Annuity Fund @ 15% of the salary.

viii) Gratuity: Gratuity at the rate of one month's salary, for each completed year of service.

ix) Free use of Company's car for Company's work as well as for personal purpose along with driver.

x) Telephone at residence at Company's cost.

xi) Leave Unavailed of to be allowed to be encashed as per the rules of the Company.

xii) Subject to any statutory ceiling/s, the appointee may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

d) **COMMISSION**

In addition to Salary, Incentive and Perquisites, Shri Narayan Patodia, Managing Director shall also be entitled to commission, the amount of which will be determined by the Board from time to time based on the net profits of the Company subject to the ceiling stipulated in Section 198 and 309 of the Companies Act, 1956.

e) **MINIMUM REMUNERATION**

The above apointee shall be paid the remuneration as stated above as minimum remuneration, in the event of inadequacy of profit subject to the ceiling of minimum remuneration as stated in part II, Section II of Schedule XIII of the Companies Act, 1956 with such modifications as may be therein from time to time, being in force."

9) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the

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Companies Act, 1956, the Company hereby approves the appointment of Shri Rajiv Patodia as an Executive Director for a period of Five years with effect from 1st October, 2002 till 30th September, 2007 on the terms of payment of remuneration specified as under:

Shri Rajiv Patodia shall be paid following remuneration by way of Salary, Incentive, Perquisites and Commission during his tenure as Executive Director :

a) **SALARY**

Salary of Rs.50,000/- per month.

b) **INCENTIVE**

Incentive Allowance up to 10% of the salary as may be determined by the Board from time to time at its own discretion.

c) **PERQUISITES AS FOLLOWS**

- i) Housing: Rent free accommodation will be provided to the appointee, the perquisite value of which will be considered as per Income Tax Rules. In case no accommodation is provided by the Company, House Rent Allowance subject to a ceiling of Rs.40,000/- per month shall be paid. In addition, the appointee shall be allowed Company owned furniture and fixtures, if required.
- ii) The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.
- iii) All Medical Expenses incurred in India or abroad by the appointee for self and his family shall be reimbursed.
- iv) Leave Travel Concession for the appointee and his family will be allowed once in a year as per the Rules of the Company.
- v) Fees of the clubs: Subject to a maximum of two clubs. This will not include admission and life membership fees.
- vi) Personal Accident Insurance and Mediclaim Insurance: The premium of which shall not exceed Rs 25,000/- per annum.
- vii) Contribution to Provident Fund @ 10% of the salary & contribution to Superannuation or Annuity Fund @ 15% of the salary.
- viii) Gratuity: Gratuity at the rate of one month's salary, for each completed year of service.
- ix) Free use of Company's car for Company's work as well as for personal purpose along with driver.
- x) Telephone at residence at Company's cost.
- xi) Leave Unavailed of to be allowed to be encashed as per the rules of the Company.
- xii) Subject to any statutory ceiling/s, the appointee may be given any other allowances, perquisites, benefits

and facilities as the Board of Directors from time to time may decide.

d) **COMMISSION**

In addition to Salary, Incentive and Perquisites, Shri Rajiv Patodia, Executive Director shall also be entitled to commission, the amount of which will be determined by the Board from time to time based on the net profits of the Company subject to the ceiling stipulated in Section 198 and 309 of the Companies Act, 1956.

e) **MINIMUM REMUNERATION**

The above appointee shall be paid the remuneration as stated above as minimum remuneration, in the event of inadequacy of profit subject to the ceiling of minimum remuneration as stated in part II, Section II of Schedule XIII of the Companies Act, 1956 with such modifications as may be therein from time to time, being in force."

10) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT Shri Dharam Paul be and is hereby appointed as the Director of the Company."

11) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT Shri K. L. Kapur be and is hereby appointed as the Director of the Company."

12) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:**

"RESOLVED THAT the existing Article No. 88 of the Articles of Association be deleted and in its place the following Article No. 88 be and is hereby inserted.

Article 88

The number of the Directors of the Company shall not be less than three and until otherwise determined by the Company in the General Meeting it shall not be more than fifteen".

13) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT in supersession of the resolution passed earlier in the 5th Annual General Meeting held on 14th September, 1991 and the Extra Ordinary General Meeting of the members held on 22nd October, 1994 and under the provision of Section 293(1)(d) of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors for borrowing such sum or sums of money from time to time and as and when required by the Company from one or more bodies corporate or bank and/ or financial institutions or from public



by way of cash credit advance, fixed deposit, term loans, debentures or other loans whether secured or unsecured by mortgage, charge, hypothecation or pledge of the Company's assets and properties whether movable or immovable or stock-in-trade (including raw materials, stores, spare parts, components or stock in transit), work-in-progress and debts and advances notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained or to be obtained from Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves which have not been set apart for any specific purpose so that the total amount upto which the money so borrowed in excess of the paid-up capital and such free reserves shall not exceed Rs. 300 crores at any one time".

14) **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT in supersession of the Resolution passed in Extra Ordinary General Meeting held on 22nd October, 1994 the consent of the Company be and is hereby accorded in terms of Section 293 (I)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the mortgaging and/or charging by the Board of Directors of the Company of all the movable and immovable properties of the Undertaking of the Company, wherever situate, present or future, to or in favour of all or any Institution(s) which are or may hereafter be notified to be public Financial Institutions under Section 4A of the Companies Act, 1956. The International Bank for Reconstruction and Development (IBRD), Housing Development Finance Corporation (HDFC), Trustees for Debenture Holders including Debentures privately placed with Unit Trust of India (UTI), or any Financial Institutions, any bank(s) bodies corporate incorporated under any statute including Army Group Insurance

Fund or other secured lenders (hereinafter collectively referred to as the Financial(s) as may be agreed to between the Board of Directors and Financing Institutions together with the power to take over the business and management of the Company in certain events, to secure rupee term loans (including foreign currency loans) obtained or to be obtained from the aforesaid Financing Institutions upto as aggregate sum of Rs.300 crores together with interest thereon at the respective agreed rates, additional interest, liquidated damages, commitment charges, premium on repayment or on redemption cost, charges, expenses and all other monies payable by the Company to the Financial Institutions as Agents and Trustees in terms of their respective Loan Agreements/ Heads of Agreements/ Hypothecation Agreements/ Trustees Agreements/ Letter of Sanction/ Memorandum of terms and conditions entered into/ to be entered into by the Company in respect of the said Term Loans/ Debentures.

RESOLVED FURTHER THAT The Board of Directors of the Company be and is hereby authorised to finalise with the Financing Institutions the documents for creating the aforesaid mortgages and/or charges and to do all such acts and things as may be necessary for giving effect to the above Resolution."

By Order of the Board

Mumbai
Dated : 31st July, 2002

R. K. Agrawal
Company Secretary
and Compliance Officer

Registered Office :
Raheja Chambers, 12th Floor,
213, Nariman Point, Mumbai - 400 021.

SHAREHOLDER INFORMATION

The Company's securities are listed at the following Stock Exchanges :

- | | |
|---|--|
| 1) The Stock Exchange, Mumbai
1 st Floor, New Trading Ring
Rotunda Building
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001 | 2) The Stock Exchange, Ahmedabad
Kamdhenu Complex
Near Polytechnic Panjara Pole
Ahmedabad 380 015 |
| | 3) National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G-Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051. |

The Company has paid Annual Listing fees to each of the above Stock Exchanges for the Financial Year 2002-2003.

**EUROTEX
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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 AND THE PROXY NEED NOT BE A MEMBER
- b) THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c) Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business from Item No. 7 to Item No. 14 is annexed hereto.
- d) Members holding more than one Share Certificate in the same name under different ledger folios are requested to apply for the consolidation of such folios and send the relevant Share Certificate to the Registrars, M/s. Datamatics Financial Software & Services Ltd, Plot No. A-16/17 MIDC, Part B, Cross Lane, Marol, Andheri(East), Mumbai 400 093.
- e) Members are requested to notify immediately any change in their address to the Registrars at the address as mentioned above.
- f) The Register of Members and the Transfer Books of the Equity shares will remain closed from Tuesday, the 17th September, 2002 till Saturday, the 28th September, 2002 (Both days inclusive).
- g) Pursuant to the provisions of Section 205A of the Companies Act, 1956, dividends for the financial year ended 31st March, 1996 and thereafter, which remain unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government.
- Members who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 1996, or any subsequent financial years are requested to make their claims to the registered office of the Company. It may also be noted that once the unclaimed dividend is transferred to the Government, as above, no claims shall lie in respect of such amount.
- h) As per the provisions of the Companies Act, 1956, facility for making nominations is available to INDIVIDUALS holding shares in the Company. The Nomination Form 2B prescribed by the Government can be obtained from the registrars and transfer Agents.
- i) Members are requested to note that the Company's equity shares are included in the SEBI specified scrips for settlement only in demat form for all investors, effective from 28th April, 2001. Members are requested to open Depository account in their names with a Depository participant to dematerialise their holdings. This would be necessary for facilitating the transfers of our Equity Shares in all the Stock Exchanges connected to the Depository System.
- j) Details of the directors retiring by rotation and being proposed for re-appointment, as well as Directors being appointed under Section 257 of the Companies Act, 1956.
- i) Shri H.P. Siotia aged sixtyeight years is a commerce graduate and is having more than five decades of rich experience in the field of cotton and yarn trading and manufacturing activities of cotton spinning.
- ii) Shri Rajiv Patodia aged thirty three years is a Finance graduate from Babson college, U.S.A. He has a vast experience in marketing & Mills production planning.
- iii) Shri A.R. Garde aged sixtysix years was a Director at ATIRA (Ahmedabad Textiles Industrial Research Association). He is having five decades of experience in the field of Textile technology and is a senior advisor to various Textile Units in India. He is also the Director in Rajasthan Spinning and Weaving Mills Ltd.
- iv) Shri Dharam Paul aged fifty eight years, is a textile graduate and MBA from IIM, Ahmedabad. He is having more than four decades of experience in textiles. He is having his own textile production units. He will greatly contribute to the Board of Directors in expansion and technology upgradation in textile units. He is also the Director in PBM Polytex Ltd.
- v) Shri K.L. Kapur aged seventy one years is a Law graduate. He has retired from IDBI as General Manager. He is an eminent expert in finance and project management. The appointment of Shri K.L. Kapur will be in the interest of the Company and its Board of Directors. He is also the Director in Brady & Morris Engineering Company Limited.



EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 7, 8 & 9

In terms of Govt. of India, Ministry of Law, Justice and Company Affairs, Department of Company affairs, Notification No G.S.R.36(E) dated 16th January, 2002, whereby they have amended the provision of Schedule XIII, part II, Section II. As per the amended provisions wherein any financial year, during the currency of tenure of the managerial person, a Company has no profit or its profits are inadequate, it may pay remuneration to a managerial person by way of Salary, Dearness Allowance, Perquisites and any other allowance not exceeding limit of Rs 24,00,000/- per annum or Rs.2,00,000/- per month provided the following conditions are taken care of;

- i) payment of remuneration is approved by a resolution passed by the Remuneration Committee
- ii) 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 appointment of such managerial person;

Accordingly –

- a) The remuneration committee has approved payment of remuneration as per the above said resolutions in its meeting held on 31st July, 2002.
- b) The Company has not made any default in its Loan obligations.

The Remuneration Committee and Board of Directors in their meeting held on 31st July, 2002 have approved modification in terms of remuneration to be paid to Shri K.K. Patodia and Shri Narayan Patodia and also approved the re-appointment of Shri Rajiv Patodia as Executive Director for a period of Five years with effect from 1st October 2002. Detailed terms of remuneration to be payable to Shri K.K. Patodia, Shri Narayan Patodia and Shri Rajiv Patodia are mentioned in the resolutions at item No. 7, 8 & 9 of the Notice.

The Board of Directors recommend the resolutions mentioned at item No. 7, 8 & 9 of the Notice for approval of Shareholders. Shri K.K. Patodia is related to Shri Rajiv Patodia, Shri Gopal Patodia & Shri Narayan Patodia.

Shri Narayan Patodia is related to Shri K.K. Patodia and Shri Gopal Patodia.

Shri Rajiv Patodia is related to Shri K.K. Patodia.

Besides above no other director is interested in considering or passing the above said resolutions mentioned at item no. 7, 8, & 9 of the Notice.

The draft supplementary agreement for amendment in the terms of remuneration payable to Shri K.K. Patodia and Shri Narayan Patodia, Managing Directors are available for inspection for the members of the Company on any working day (except on Saturday, Sunday and any public holiday) between 11.00 a.m. to 1.00 p.m. at the registered office of the Company.

The disclosure of the terms of remuneration in the above said Notice and explanatory statement may be treated as disclosure to the members, an abstract of Directors' interest in the contract appointing Managing Directors under provisions of section 302 of the Companies Act, 1956.

ITEM NO. 10 & 11

Shri. Dharam Paul and Shri. K.L. Kapur were appointed as additional Directors in the year 2002. Under Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, their appointment is valid only upto this Annual General Meeting.

Notices as required under Section 257 of Companies Act, 1956 together with the deposit of Rs.500 each have been received by the Company from a member signifying his intention to propose the appointment of Shri. Dharam Paul and Shri. K.L. Kapur as directors of the Company.

Shri. Dharam Paul and Shri. K.L. Kapur are interested in their respective resolutions concerning their appointment.

Except them, no other director is, in any way, concerned or interested in the resolution.

ITEM NO. 12

Article No. 88 of the Articles of Association presently provides for the total number of Directors, not below three and not above twelve.

To comply with the provision of the clause 49 of the listing agreement pertaining to corporate governance requirements the Company may need to increase the number of directors above twelve for which it is required to amend the Article No. 88 of Articles of Association.

Accordingly the Board of directors has proposed the special resolution to be passed for amendment in Article No. 88 of Articles of Association so that the total number of directors can be increased upto fifteen.

None of the directors is, in any way, concerned or interested in the above said resolution.

The copy of the Company's Articles of Association along with the above said draft amendment is available on any working day (except on Saturday, Sunday and any public holiday) for inspection by any members between 11 A.M and 1 P.M upto the date of Annual General Meeting at the registered office of the Company.

ITEM NO. 13 & 14

Under the provisions of section 293(1)(d) and 293(1)(a) of the Companies Act, 1956, Company had passed resolutions in the shareholders meeting held on 22nd October, 1994 authorising the Board of Directors to borrow in excess of share capital and free Reserves but not exceeding Rs.150 crores at one time and to create charge, mortgage etc. to secure the loans as above upto an amount not exceeding Rs.150 crores. These resolutions were passed eight years back. During this time the Company has increased its fixed assets base from Rs.50 crores (approximately) to over Rs. 170 crores. The Company's turnover which was Rs.32 crores at that time has gone above Rs.200 crores per annum.

Due to this, the Company's borrowing requirements have also increased and it is now felt that fresh resolutions under Section 293(1)(d) and 293(1)(a) are passed increasing the borrowing power of the Board of Directors and also power to create charge, mortgage from Rs.150 crores to Rs.300 crores, in excess of the Paid up Capital and Free Reserves.

The Board accordingly recommends the resolutions for the approval of shareholders.

None of the directors is, in any way, concerned or interested in the above said resolutions.

By Order of the Board

Mumbai

Dated : 31st July, 2002

Registered Office :

Raheja Chambers, 12th Floor,
213, Nariman Point, Mumbai - 400 021.

R. K. Agrawal
Company Secretary
and Compliance Officer