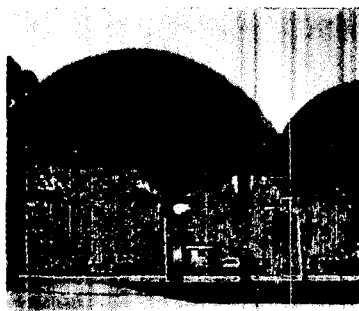
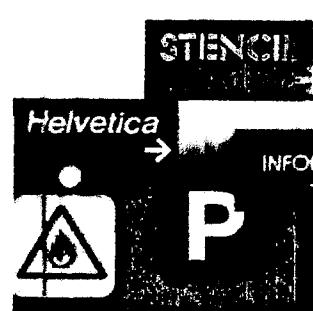
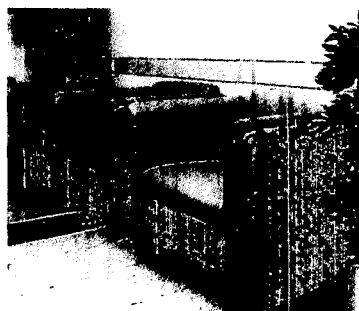
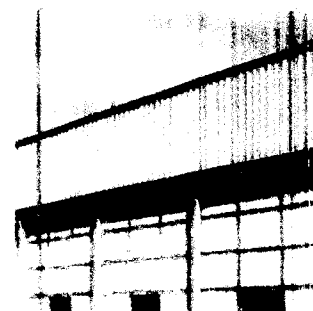
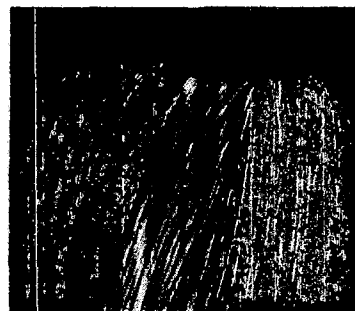


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Industries Limited

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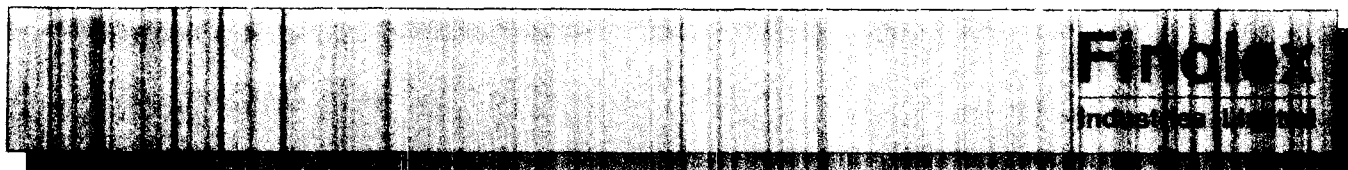
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FINOLEX stays in close touch with its customers- identifying their needs, anticipating their requirements and providing them with solutions across the spectrum of PVC and Pipes.

Today, FINOLEX is India's largest PVC Pipe manufacturer and is the first company to be awarded the licence for Quality Systems Certification as per IS/ISO 9002 for manufacture and supply of u PVC Pipes and Fittings. FINOLEX is also India's leading PVC manufacturer-the raw material used for wide range of products; a few are shown on the cover page.



MD	✓		DRG	✓
CS	✓		DEY	NA
RO	✓		DEV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHT	✓
Yd	✓	✓		✓

BOARD OF DIRECTORS

Mr. P.P. Chhabria
Chairman

Mr. G.P. Bhargava
LIC Nominee Director

Mr. U.M. Chitale
UTI Nominee Director

Mr. S.N. Inamdar

Dr. N.A. Kalyani

Mr. S.S. Marathe

Mr. G.R. Pai

Mr. R. Raman
ICICI Nominee Director

Mr. K.P. Chhabria
Managing Director

Mr. Prakash P. Chhabria
Deputy Managing Director

Mr. J.S. Arora
Wholetime Director

Mr. S.S. Dhanorkar
Wholetime Director

Company Secretary
Mr. P.B. Parasnis

Bankers

Bank of India
Bank of Baroda
Bank of Nova Scotia
Central Bank of India
Citibank N.A.
Corporation Bank
Indusind Bank Ltd.
State Bank of India
The Hongkong & Shanghai
Banking Corporation Ltd.

Auditors

B.K. Khare & Company
Chartered Accountants

Solicitors & Advocates

Crawford Bayley & Company

Registered Office

D1/10, M.I.D.C., Chinchwad,
Pune - 411 019.

Finolex

Industries Limited

Directors' Report

To the Members

Your Directors have pleasure in presenting their Sixteenth Annual Report and Audited Accounts of your Company for the year ended 31st March, 1997.

Financial Results

	(Rs. in million)	
	1996-97	1995-96
Profit before Depreciation & Finance Charges	1126.384	1211.782
Finance Charges	552.933	522.314
Profit before Depreciation	573.451	689.468
Additions/(Deductions) for		
(i) Depreciation	(332.105)	(324.595)
(ii) Provision for Taxation	(31.600)	(0.600)
(iii) Excess Provision for Taxation for prior years	0.067	—
Profit after Depreciation, and Taxation	209.813	364.273
Add		
(i) Surplus of Profit and Loss Account of earlier year	5.107	2.759
(ii) Transferred from Investment Allowance (Utilised) Reserve	8.751	1.974
Appropriations		
(i) Debenture Redemption Reserve	140.300	216.347
(ii) Proposed Dividend	74.220	147.552
(iii) Provision for Dividend Tax	7.422	—
(iv) Balance carried over to Balance Sheet	1.729	5.107

Turnover and Profits

The gross total income for the year under review including value of interdivisional transfer of PVC was Rs.5842.342 million as against Rs.5599.375 million of the earlier year, showing a marginal growth. PVC production increased from 106,506 metric tons in the earlier year to 109,494 metric tons in the year under review. The performance could have been better, but for the power interruptions during the year. PVC Division recorded sales of Rs. 4523.464 million in the year under review against Rs.4244.819 million in the previous year. PVC Pipes and Fittings Division recorded sales of Rs.1244.376

million in the year under review against Rs.1272.819 million in the previous year.

The growth in business experienced during the year 1996-97 was marginal largely due to reduction in import duty of PVC and slow down of the nation's economy.

Profit before tax for the year under review was Rs.241.346 million as against Rs.364.873 million of the earlier year. The profitability was affected mainly due to lower price realisation, high input cost and higher interest rates. The Company has provided for Minimum Alternate Tax (MAT) in the Accounts of the year under review.

Auditors' Report

Referring to the remarks in the Auditors' Report, the Directors would like to state that the accrued finance charges on the assets taken on lease (which are mainly for the PVC plant) have been determined after due consideration of all relevant factors such as the terms of lease agreement, the nature of assets and their economic life restricted to the specified period as per SLM rates prescribed in Schedule XIV of the Companies Act, 1956. In the Company's opinion, the policy adopted by the Company is in accordance with the guidance note issued on the subject by The Institute of Chartered Accountants of India, read together with the relevant international accounting standard issued by the International Accounting Standards Committee.

Dividend

Your Directors recommend for your consideration tax free dividend of 5% for the year ended 31st March, 1997. Pro rata dividend will be paid on the shares allotted during the year. The dividend outgo will be Rs.74.220 million. The Company will pay tax of 10% on dividend amount.

PVC Plant

The year witnessed better utilisation of plant capacity. Accordingly, PVC production went up by 2.81%. Steps are being taken to improve upon the productivity by fine-tuning the raw-materials mix for better yields.

During the year under review, the Company implemented jumbo bag filling and handling system for customer convenience. The said system has proved to be a cost effective measure.

In April 1997, the Company received Maharashtra State Electricity Board's consent for installation of 25MW co-generation captive power plant. Installation of captive

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power plant is expected to benefit the Company by resulting not only in availability of quality power at lower cost and thereby arresting power interruptions and production losses but also in meeting entire steam requirement from co-generation.

Pipes Plant

Production of PVC pipes and fittings too showed an increase of 1.54% over the earlier year. The Company has developed in-house composite ring for the 'Ringtite Pipe' which enables the user to assemble pipe line at site conveniently. Range of SWR pipes and fittings has been widened which is expected to result in increased demand for SWR pipes and fittings. The Company has installed jumbo bags unloading and raw material transportation system. The Company has also started manufacturing threaded pipes for plumbing as per ASTM standard, schedules 40 and 80. The Company has decided to open depots and appoint C & F agents at strategic business centres to reach the customer at his door-step. Your Company continues to maintain its leading position in rigid PVC pipes segment of the Pipes Industry in the organised sector.

Current Year

The signs of recovery in demand for PVC and in prices of PVC evidenced during the last quarter of the previous year have consolidated during the first quarter of the current year. The international prices of PVC have stabilized during first quarter of the current year. The feed stock prices increased considerably at the beginning of the calendar year 1997, but are expected to soften during the second half of 1997. Though new capacities of PVC are emerging in the country, PVC usage being supply driven, the new capacities are likely to get absorbed by increase in demand for PVC over a period of time. The future outlook for PVC industry appears to be encouraging. The order book position of the Company is satisfactory. With the resurgence of demand from Government departments/quasi Government organisations, the demand for PVC pipes and fittings is likely to be higher during the current year.

Turnover of the Company including the value of interdivisional transfers for the two months' period ending 31st May, 1997 is Rs.1155.4 million as against Rs.1016.8 million for the corresponding months of the previous year.

Exports

The Company has been receiving repeat orders from its

regular customers. During the year under review, the Company exported PVC valued at Rs.233.646 million (equivalent to USD 6.757 million).

The Company added some more countries to its export destinations.

Finance

In June 1996, the Company allotted, 1,145,340 equity shares to financial institutions, namely The Industrial Credit and Investment Corporation of India Limited, Industrial Development Bank of India and Industrial Finance Corporation of India Limited at a premium of Rs.5 per share, pursuant to the conversion option exercised by them in respect of their rupee term loan.

In November 1996, the Company redeemed (with proportionate premium) 1/3rd of the aggregate face value of 7,885,756 Non-Convertible Debentures of Rs.100 each in accordance with the terms of their issue and allotment.

During the year under review, the Company availed from The Industrial Credit and Investment Corporation of India Limited rupee loan of Rs.196.5 million and foreign currency loan of Rs.88.177 million. Repayment of these loans have already commenced. The Company also availed from Housing Development Finance Corporation Limited corporate loan of Rs. 65.20 million.

In April 1997, the Company signed loan agreement with Kredietbank N.V. for foreign currency loan of USD 9.6 million, with Ministry of Finance's approval under the External Commercial Borrowings ("ECB") guidelines. The ECB facility has been set up in co-operation between IndusInd Bank Limited and Kredietbank N.V., Brussels - Belgium.

Fixed Deposits

The Company did not accept any fixed deposits during the year under review. No deposits were outstanding as on 31st March, 1997.

Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1989

In terms of above Rules, your Directors are pleased to give the particulars as prescribed therein in the Annexure which forms a part of this Report.

Listing Agreement Compliance

Projections for the year ended 31st March, 1997 as per Letter of Offer dated 25th August, 1992 pursuant to

Finolex

Industries Limited

clause 43 of the listing agreement are given below :

	(Rs. in million)
Total income	
(excluding excise duty)	4253.7
Profit before interest, depreciation & tax	1608.7
Interest	359.2
Depreciation	608.9
Provision for taxation	—
Net profit	640.6

Projections are as per the report of project appraisal which was undertaken during May, 1992. Profit projected then has been affected mainly on account of steep increase in raw material prices, higher interest costs and exchange loss due to devaluation of the rupee, though on account of statutory amendments depreciation is on a lower side.

Industrial Relations

Industrial relations continued to be cordial during the year under review. The Company regularly arranges for training programmes for its employees to improve their management skills and upgrade their working skills.

Directors

Mr. V.K. Chhabria, Executive Director resigned from the Board of Directors of the Company with effect from 1st December, 1996. The Board of Directors places on records its sincere appreciation of the valuable services rendered by Mr. V.K. Chhabria during his period of association with the Company.

The Board of Directors co-opted Mr. J.S. Arora, Vice-President (Operations) and Mr. S.S. Dhanorkar, Vice-President (Commercial) of the Company as Directors on the Board of Directors and further appointed them as Wholtime Directors of the Company, effective from 1st December, 1996. Mr. J.S. Arora and Mr. S.S. Dhanorkar hold their respective offices till the date of the Sixteenth Annual General Meeting. Mr. J.S. Arora and Mr. S.S. Dhanorkar have consented to act as Directors, if so appointed by the members at the Sixteenth Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. K.P. Chhabria, Mr. S.S. Marathe and Mr. Prakash Chhabria retire by rotation at the Sixteenth Annual General Meeting and being eligible, offer themselves for reappointment.

Auditors

M/s. B.K. Khare & Company, Chartered Accountants, retire as Auditors of the Company at the conclusion of

the Sixteenth Annual General Meeting and are eligible for reappointment.

Particulars of Employees

Information as per Section 217(2A) of the Companies Act, 1956 read with the Rules framed thereunder forms a part of this Report. However, as per the advice received by the Company, pursuant to the provision of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to the 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 said statement may write to the Company Secretary at the Registered Office of the Company.

Social Activities

The Company has given donations, bought benches and done electrification of classrooms and flooring for schools in Ranpar and Ratnagiri. The Company has also given donation to the remand home and to Aawishkar, the spastic institution in Ratnagiri attending to children.

The Company has spent money on widening and straightening of Ratnagiri-Pawas Road for easy movement of traffic.

As is done every year, the Company had organised in association with Indian Medical Association, Ratnagiri branch and others a seminar for doctors in Ratnagiri for latest advances in medical science.

The most important of all the social activities undertaken by the Company is the one relating to maintenance of ecological balance. The Company has planted 22,858 trees in the vicinity of the PVC plant which are being grown by providing water treated in the effluent treatment plant of the Company.

Appreciation

Your Directors place on record their sincere appreciation of the services rendered by the employees of the Company and are grateful to the financial institutions and banks for timely assistance. Your Directors are also grateful to shareholders, debentureholders, customers and suppliers of the Company for their continued valuable support. Your Directors are thankful to the local authorities at Ratnagiri for their continued co-operation.

For and on behalf of the Board of Directors

Pune
Date : 28th June, 1997

P.P. Chhabria
Chairman

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Annexure to the Directors' Report

Companies (Disclosure of Particulars in the Report of Board of Directors)
Rules, 1988

A) Conservation of Energy

a) Energy conservation measures taken :

PVC Plant :

- Reduction in consumption of air resulting in replacement of higher capacity compressor with lower capacity compressor.
- Reduction in cooling water circulation by replacing high Kilo Watt HP motor driven pump by low Kilo Watt LT motor driven pump for VCM cooling.
- Replacement of high pressure air with low pressure compressed air in E-PVC drying system.
- Reduction in homogenisation of batch time of PVC.
- Reduction in steam consumption for HCL column by suitably retraying the column.
- Utilisation of low pressure steam generated at EDC cracker unit by waste water stripper in VCM plant.

PVC Pipes and Fittings Plant :

- Additional number of single die extrusion lines converted into dual die extrusion lines.
- Tooling for small diameter pipes modified and improved for better productivity.
- Multi-cavity moulds introduced for injection moulded fittings.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :

- Replacement of cooling tower fans with light material.
- Replacement of old existing DG sets with new DG sets (at PVC Pipes and Fittings plant).

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :

- Resulted in reduction in consumption of electricity and product wastage. Impact has not been measured.

d) Total energy consumption and energy consumption per unit of production as per Form A :

Form A enclosed.

Form A (PVC Plant)

A. Power and fuel consumption :

	Units	1996-97	1995-96
1. Electricity			
Purchased Units	Million KWH	95.193	100.720
Total amount	Rs. Million	301.555	280.719
Average rate/unit	Rs./KWH	3.168	2.787
2. (a) Furnace Oil (LSHS)			
Quantity	Metric Tons	12550.250	11,952.000
Total amount	Rs. Million	79.846	64.709
Average rate	Rs./Tons	6362	5,414.000
(b) LDO/HSD/SKO			
Quantity	Kilo Litres	10174.820	10,980.140
Total amount	Rs. Million	76.811	73.477
Average rate	Rs./KL	7549.092	6,692.000
(c) LPG			
Quantity	Metric Tons	503.620	622.200
Total amount	Rs. Million	7.433	7.763
Average rate	Rs./Tons	14759.719	12,447.000

B. Consumption per metric tonne production of PVC :

1. Electricity	KWH	869.386	945.6000
----------------	-----	---------	----------

	Units	1996-97	1995-96
2. (a) Furnace Oil (LSHS)	MT	0.1143	0.1122
(b) LDO/HSD/SKO	KL	0.0929	0.1031
(c) LPG	MT	0.0043	0.0060

Note: Figures of the previous year have been regrouped wherever necessary.

B) Technology Absorption

Form B

Research & Development (R & D)

1. Specific areas in which R&D efforts have been put in by the Company are :

- VCM plant debottlenecking.
- Development of new PVC grade.
- Elimination of some additives from formulation.
- Development of automatic bell socketting line for Ringtite pipes.
- Development of online threading machine for manufacture of threading pipes for plumbing.
- Development of composite elastomeric sealing rings in two sizes for jointing of pipes.

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

- Higher capacity utilisation of VCM plant.
- Customer satisfaction.
- Reduction in cost of production.
- Reduction in time of bell forming cycle.
- Consistency in quality.
- Composite elastomeric sealing rings help in easy installation of pipe line and allow for thermal expansion and contraction of pipes.

3. Future plan of action :

- Development of larger size pipes in diameter above 400 mm.

4. Expenditure on R&D :

- | | |
|---|--|
| (a) Capital |) The development work is carried on by the concerned departments continuously. No separate record of the expenditure incurred on R&D as such is maintained. |
| (b) Recurring | |
| (c) Total | |
| (d) Total R&D Expenditure as a percentage of total turnover | |

Technology Absorption, Adaptation and Innovation

1. Efforts in brief made towards technology absorption, adaptation and innovation :

- Efforts to improve productivity and reduce raw material, power and steam consumptions.
- Continuous and uninterrupted production cycle for reducing product wastage.

2. Benefits derived as a result of the above efforts :

- Overall raw material and energy consumption per tonne of the product has been further reduced.

3. Imported Technology :

- | | |
|--|---|
| (a) Technology Imported | : VCM & PVC technologies from Uhde GmbH, Germany. |
| (b) Year of Import | : 1990 |
| (c) Has technology been fully absorbed | : Absorbed. |

C) Foreign Exchange Earnings and Outgo

1. Activities relating to exports; Initiatives taken to increase exports; development of new export markets for products; and export plans :

Mentioned in the Directors' Report

- | | |
|--|----------------------|
| 2. (a) Total foreign exchange earned : | Rs. 238.646 million |
| (b) Total foreign exchange used : | Rs. 1417.544 million |

Finolex

Industries Limited

Auditors' Report

To the Members of Finolex Industries Ltd.

We have audited the attached Balance Sheet of M/s. Finolex Industries Ltd as at 31st March, 1997, and also the Profit & Loss Account for the year ended on that date annexed thereto. We report as follows :

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 of the matters specified in the paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - a) 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.
 - 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 the books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
 - c) The Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of account.
 - d) (i) We have relied upon the representation made to us by the management, this being a complex technical matter, to the effect that the PVC Plant at Ratnagiri as a whole is a continuous process plant on the cost of which the Company has provided depreciation at 5.28% on SLM basis as per Schedule XIV to the Companies Act, 1956.
 - (ii) Reference is invited to Note No. 15 of Schedule 16 to the Accounts stating that in the case of Project of turnkey continuous process plant, the whole plant complex is designed and engineered in line with the manufacturing process, and the need for carving out on estimate a portion of the total consideration for process know-how requiring different accounting treatment

does not arise. This being a highly technical matter, we have relied upon the representation made to us by the Company in this behalf.

- (iii) In respect of assets taken on lease, the Company has spread finance charge equally over the lease term (note 1(ix), Schedule 16). In our opinion, this finance charge is allocable to the period so as to produce a constant periodic rate of interest on the remaining balance of liability out of the capital cost, resulting in the cost of related fixed assets being stated higher by Rs. 24.148 million, depreciation higher by Rs. 1.275 million, finance charge higher by Rs. 15.126 million, as per computation furnished by the Company and the profit for the year accordingly being stated lower by Rs. 16.401 million.

Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Company's Accounting Policies and the Notes thereto, more particularly, Note No. 17 with reference to which, we have relied on the Management's perception and Note No.6 of Schedule 16 forming part of the Accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

- i) in the case of Balance Sheet, of the state of affairs of the Company as on 31st March, 1997, and
- ii) in the case of Profit & Loss Account of the Profit of the Company for the year ended on that date.

For **B.K. Khare & Company**
Chartered Accountants

Place : Pune
Dated : 28th June, 1997

U.B. JOSHI
Partner

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Annexure to the Auditors' Report

Referred to in paragraph 1 of our Report of even date :

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. All the assets have not been physically verified by the management during the year but there is a regular programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. The Company is in process of reconciliation of Physical Inventory of Fixed Assets with book records.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished goods, stores, spare parts and raw materials have been physically verified during the year by the management except certain goods and materials sent to third parties for conversion or other job work, in respect of which certificates have been obtained from the parties concerned. In our opinion, the frequency of verification is reasonable.
4. According to the information and explanations given to us, in our opinion, 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 physical verification of stocks as compared to the book records were, in our opinion, not material.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper, in accordance with the normally accepted accounting principles and is on the same basis as in the preceding years.
7. In our opinion, the rate of interest and other terms and conditions on which loans have been taken from the parties listed in the Register maintained under Section 301 of the Companies Act, 1956, are not, prima facie, prejudicial to the interest of the Company. We are informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
8. The Company has granted unsecured loan to a Company listed in the Register maintained under Section 301 of the Companies Act, 1956. According to the information and explanations given to us, the rate of interest and other terms and conditions of the loan, are not prima facie, prejudicial to the interest of the Company. We are informed that there are no companies under the same management.
9. Parties to whom loans and advances in the nature of loans have been given are repaying the principal amount as stipulated and are also regular in payment of interest, where 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 nature of its business with regard to the purchase 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 and sale of goods and materials in pursuance of contract or arrangements entered in the Register 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 the prices at which transactions of similar goods and materials have been made with other parties or quoted by the other parties except, where comparable quotations are not available having regard to the specialised nature of materials purchased by the Company.
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 provisions have been made in the accounts for the loss so determined.
13. The Company has not accepted deposits from the public and therefore the provisions of Section 58A of the Companies Act, 1956 and Rules thereunder are not applicable to the Company.
14. The Company has maintained reasonable records in respect of sale and disposal of realisable by-products and scrap.
15. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
16. The Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, for any of the products of the Company.
17. According to the records of the Company, Provident Fund and Employees' State Insurance dues have 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 on 31st March, 1997 for a period of more than six months from the date they became payable.
19. On the basis of examination of the books of account of the Company carried out by us and in accordance to the information and explanations given to us, no personal expenses of the employees or the 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.
21. In respect of the trading activity of the Company there were no damaged goods in closing stock.

For B.K. Khare & Company
Chartered Accountants

Place : Pune
Dated : 28th June, 1997

U.B. JOSHI
Partner

Finolex

Industries Limited

Balance Sheet

as at 31st March, 1997

(Rs. in million)

	Schedule	As At 31.03.97	As At 31.03.96
Sources of Funds			
Shareholders' Funds			
Share Capital	1	1485.076	1471.059
Reserves & Surplus	2	2691.433	2562.523
		<u>4176.509</u>	<u>4033.582</u>
Loan Funds			
Secured Loans	3	3365.754	3429.135
Unsecured Loans	4	343.669	174.984
		<u>3709.423</u>	<u>3604.119</u>
		<u>7885.932</u>	<u>7637.701</u>
Application of Funds			
Fixed Assets	5	5377.163	5681.167
Capital Work-in-Progress including Advances	6	850.089	347.603
Investments	7	950.766	946.520
Current Assets, Loans & Advances	8	1958.782	2352.955
Less : Current Liabilities & Provisions	9	1280.418	1734.869
Net Current Assets		<u>678.364</u>	<u>618.086</u>
Miscellaneous Expenditure :			
(To the extent not written off or adjusted)			
Deferred Revenue Expenditure	10	29.550	44.325
		<u>7885.932</u>	<u>7637.701</u>
Notes	16		

As per our report of even date
For B.K. Khare & Company
Chartered Accountants

K.P. CHHABRIA
PRAKASH P. CHHABRIA

Managing Director
Deputy Managing Director

U.B. JOSHI
Partner

P.B. PARASNIS
Sr. General Manager (Finance) &
Company Secretary

Pune : 28th June, 1997

Pune : 28th June, 1997