HMT LIMITED

49th Annual Report 2001-2002

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF PROPOSED REAPPOINTMENT OF DIRECTOR

Shri Ajay Acharya, IAS, Joint Secretary, Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Government of India, holds a MA degree from St. Stephen's College, Delhi University and a M... degree in Public Administration from Harvard University, USA.

Shri Ajay Acharya, in his career of 25 years in the Indian Administrative Service has had a large experience with the ... Besides his present posting, he has served in the Industries Department of Madhya Pradesh and headed several of the State's Public Sector undertakings. The formulation of the Industrial Policy for Madhya Pradesh during ... as the State's Industries Commissioner, is one of the several notable ... of ...

Shri Ajay Acharya has handled a wide range of assignments for the Government of India having served in the Department of Expenditure & the Department of Economic Affairs in the Finance Ministry as well as the Department of Administrative Reforms.

The details in respect of Shri Ajay Acharya's Directorships and Committee Memberships in other Companies are as follows:

Directorships in Other Companies	Committee Memberships in other Companies
Bharat Yantra Nigam Ltd	Audit Committee
Triveni Structurals Ltd	
Heavy Engineering Corporation	HMT Machine Tools Limited
HMT International Limited	HMT Watches Limited
HMT Machine Tools Limited	
HMT Watches Limited	

HMT LIMITED

No. 59, Bellary Road, Bangalore - 560 032

NOTICE

Notice is hereby given that the Forty Ninth Annual General Meeting of HMT Limited will be held on Friday, December 27, 2002, at 4.30 p.m. at the Registered Office of the Company at No. 59, Bellary Road, Bangalore - 560 032 to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at and Profit and Loss Account for the year ended March 31, 2002 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ajay Acharya who retires by rotation and being eligible offers himself for reappointment.
3. To fix the remuneration of Statutory/Branch Auditors appointed by the Comptroller and Auditor General of India for the year 2002-2003.

By Order of the Board of Directors

(U. JAGADISH NAYAK)
Chief Corporate Legal
& Company Secretary

Place : Bangalore
Date : 30-11-2002

Registered Office

HMT Bhavan
No. 59, Bellary Road,
Bangalore - 560 032.

1. The Members of the Company
2. Statutory Auditors

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The Share Transfer Books and Register of Members of the Company shall remain closed from December 13, 2002 to December 18, 2002 (both days inclusive).
3. Members/proxies should bring the attendance slip duly filled in for attending the meeting.

HMT LIMITED

Registered Office : No. 59, Bellary Road, Bangalore - 560 032

ATTENDANCE SLIP

I, hereby record my presence at the Fortieth Annual General Meeting at the Registered Office of the Company at 4:30 P.M. on Friday, December 27, 2002.

Name of the Attending Member
(in Block Letters) ....

Member's Folio Number ....

Name of Proxy (in Block letters, to be filled in if the Proxy attends instead of the Member) ....

No. of Shares held ....

Member's / Proxy's Signature

* To be signed at the time of handing over this slip.

Folio No. ....

HMT LIMITED

Registered Office : No. 59, Bellary Road, Bangalore - 560 032

FORM OF PROXY

I/We ....
of ....
....
of ....
or failing him ....
of ....
or failing him ....

As my/our Proxy in my/our absence to attend the vote for me / us and on my / our behalf at the Fortieth Annual General Meeting of the Company to be held at 4.30 p.m. on the 27th day of December 2002, and at any adjournment thereof.

Signed by the Said

Affix one Rupee Revenue Stamp

Note: The proxy must be deposited at the Registered Office of the Company at No. 59, Bellary Road, Bangalore - 560 032, not less than 48 hours before the time for holding the meeting.

HMT LIMITED

CONTENTS

BOARD OF DIRECTORS	
Shri M.S. Zahed	Chairman & Managing Director I/c
Shri K.K Jaswal	Director
Shri Ajoy Acharya	Director

Shri T. Radha Krishnan	Chief Vigilance Officer

EXECUTIVE DIRECTORS	
Shri S.K. Welling	Executive Director, Corporate Planning
Shri K.V. Ramamurthy	Executive Director, Finance
Shri C.N. Dhar	Executive Director, Pinjore

Shri U. Jagadish Nayak	Company Secretary

STATUTORY AUDITORS

M/s. D. Rangaswamy & Co.
Chartered Accountants
Bangalore

BANKERS

UCO Bank
Punjab National Bank
State Bank of Travancore
Andhra Bank

REGISTERED OFFICE

HMT Bhavan
59, Bellary Road
Bangalore - 560 032

PERFORMANCE HIGHLIGHTS

(Rs. in lakhs)

	2001-02	2000-01	1999-2000	1998-99	1997-98	1996-97	1995-96	1994-95	1993-94	1992-93
OPERATING STATISTICS										
Sales	28112	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Income	3029	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Materials	14029	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Employee Costs	5396	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Operating Costs	6795	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation	640	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Earnings before Interest & Tax	745	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest	1570	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Earnings before Tax	192	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Taxation and Net of Provisions withdrawn / (written back)	(245)			[illegible]	[illegible]				[illegible]	[illegible]
Net Earnings	1021	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FINANCIAL POSITION										
Net Fixed Assets	1876	4366	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Current Assets	96539	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Current Liabilities & Provisions	23070	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Working Capital	73469	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Capital Employed	77745	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Investments	1660	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Misc. Expenses (not written off)	1275	[illegible]	[illegible]	[illegible]	[illegible]	207	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings	76750	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net Assets	5620	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
OTHER STATISTICS										
Capital Expenditure	227	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Internal Resources Generated	1464	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Working Capital Turnover Ratio	0.36	[illegible]	[illegible]	[illegible]	2.58	[illegible]	2.44	[illegible]	1.52	[illegible]
Current Ratio	4.18	[illegible]	[illegible]	[illegible]	[illegible]	1.88	2.00	[illegible]	2.61	[illegible]
Return on Capital (%)	1.05	[illegible]	[illegible]	[illegible]	11.46	13.27	[illegible]	[illegible]	[illegible]	[illegible]
Number of Employees	2809	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Per Capita Sales	10.23	[illegible]	[illegible]	[illegible]	4.58	[illegible]	[illegible]	[illegible]	2.54	2.73

Note : Figures from 2000-01 onwards apply to the Holding Company

SOURCES AND UTILISATION OF FUNDS

	2001-02	2000-01
		(Rs. in Lakhs)
SOURCES		
Internal Generation :		
Net Profit / (Loss) after interest prior to tax	782	2441
Tax (net of provisions withdrawn/refunds)	(242)	-
	1024	2441
Add: Depreciation	440	446
Provisions withdrawn/adjusted	(58)	(169)
	1406	2718
External Generation :		
Equity	-	27640
Term Loans	-	5449
Bonds	23450	39188
Interest accrued and due	1120	-
	24570	72277
TOTAL SOURCES	25976	74995
UTILISATION		
Repayment of Loans		
Debentures	-	3333
Term Loans	5459	3474
Fixed Deposits	-	457
Inter Corporate Loans	310	-
Bonds	1256	2226
Government Loans	-	636
Deferred Credits	-	5
Interest accrued and due	-	7178
	7025	17308
Capital Expenditure	229	68
Investments	-	1005
Deferred Tax	5	-
Miscellaneous Expenditure	971	3404
	1205	4477
Add / (Less)		
Working Capital Movement	17823	56625
TOTAL UTILISATION	26053	78410
Net Surplus / (Deficit)	(77)	(3415)
Represented by Increase /(Decrease) in Bank Balance	77	3415

FIGURES AT A GLANCE

		2001-02		2000-01
BALANCE SHEET				(Rs. in Lakhs)
What the Company owned				
Fixed Assets		11604		13375
Less : Depreciation		7328		9029
Net Fixed Assets		4276		4346
Investments		4550		4550
Current Assets	96539		82642	
Less : Current Liabilities	23070		26996	
		73469		55646
Deferred Tax		5		-
Miscellaneous Expenditure		4375		3404
Profit and Loss Account		36892		37999
		123567		105945
Less :				
What the Company owed				
Bonds	67403		44206	
Banks/Financial Institutions	8499		13880	
Inter Corporate Loans	802		996	
Government Loans	46		46	
		76750		59128
		46817		46817
Shareholders' Equity Represented by :				
Share Capital		46817		46817
PROFIT AND LOSS ACCOUNT				
What the Company Earned				
Sales Revenue		28712		34522
Other Income		3029		6759
Stock Accretion/(Decretion)		(2443)		868
		29298		42149
Less :				
What the Company spent				
Materials	16022		23071	
Employee Cost	5296		7032	
Depreciation	440		446	
Other Expenses	6270		8784	
Interest	(37)		1016	
VRS Compensation Written Off	525		359	
		28516		39708
Net Profit/(Loss) before tax		782		2441
Tax (Net of provision withdrawn)		(242)		-
Net Profit / (Loss) after tax		1024		2441