

**12TH ANNUAL
REPORT
2001-2002**

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INDIAN TONERS & DEVELOPERS LTD.

CORPORATE INFORMATION

BOARD OF DIRECTORS	Shri Sushil Jain Chairman & Managing Director Shri P.K. Kanoria Shri J.S. Varshneya Shri Vikram Parkash Dr. M.R.Jain Shri N.S. Sharma Shri. Sanjeev Goel
EXECUTIVE DIRECTOR & COMPANY SECRETARY	Shri S. C. Singhal
BANKERS	State Bank of India
AUDITORS	K.N. Gutgutia & Co. Chartered Accountants 11-K, Gopala Tower, 25, Rajendra Place, New Delhi 110 008
REGISTERED OFFICE & WORKS	10.5 KM, Rampur-Bareilly Road, Rampur 224 901 (U.P) Tel. : 0595 - 634148, 634174.
CORPORATE OFFICE & SHARE DEPARTMENT	5-E, Gopala Tower, 25, Rajendra Place, New Delhi 110 008 Tel : 5751420, 5742509 5748160, 5763993 Fax : 91-11-5751422 E-Mail : itdl@vsnl.com Website : http://www.indiantonners.com

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NOTICE

INDIAN TONERS & DEVELOPERS LIMITED

Notice is hereby given that the 12th Annual General Meeting of the Shareholders of INDIAN TONERS & DEVELOPERS LIMITED will be held on Thursday the 8th August, 2002 at 12.00 noon. at the Registered Office of the Company at 10.5. KM. Rampur - Bareilly Road, Rampur 244901 (U.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the Year Ended March 31st, 2002 and the Balance Sheet as at March 31st, 2002 and the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Dr. M. R. Jain who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri P. K. Kanoria who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration and the mode of payment. M/s. K. N. Gutgutia & Co. Chartered Accountants, are the retiring Auditors.

SPECIAL BUSINESS:

5. To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Sanjeev Goel, who was co-opted as an Additional Director of the Company by the Board of Directors under Section 260 of the Companies Act, 1956 holds office upto the date of the Annual General Meeting, in respect of whom the company has received a notice from a member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT the Equity Shares of the Company be delisted from the Stock Exchange, Ahmedabad and The Calcutta Stock Exchange Association Ltd., in accordance with the provisions of the listing agreement and all other relevant laws, rules, regulations and guidelines including any statutory modifications or re-enactments thereof for the time being in force and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions".
FURTHER RESOLVED THAT the Board of Directors of the Company including any duly constituted and authorised committee thereof, be and are hereby authorised to agree such terms and conditions which they may consider appropriate and

to do all such acts, deeds, matters and things as may in their absolute discretion deem necessary, proper or desirable and settle any question, difficulty, doubt that may arise in regard to delisting of the Equity Shares from the Ahmedabad Stock Exchange and The Calcutta Stock Exchange Association Ltd."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to invest at a time and from time to time a sum not exceeding Rs. 20 Crores in banks/mutual funds by way of investment in Fixed Deposits, Term Deposits, Certificates of Deposits, Govt. Securities, Treasury bills, Gilt Funds, Liquid Funds, Debt Funds and other schemes of the banks/mutual funds, on such terms and conditions as the board may deem fit.
FURTHER RESOLVED THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things as may be usual, necessary or expedient to implement this resolution."
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 or any other statutory modification or re-enactment thereof, the Articles of Association of the Company be and is hereby altered in the following manner :
i) After Article 6, insert the following Article as Article 6 (A)
6 (A)-The Company shall have the power to hold Board or Committee Meetings through the means of video or tele-conferencing and also, allow Directors to participate in the Board or Committee meetings through the means of video or tele-conferencing, subject to the applicable provisions, if any, of the Companies Act, 1956 and other regulatory provisions, if any, and all relevant articles dealing with board or committee meetings shall be read *mutatis mutandis*."
ii) After Article 12, insert the following Article as Article 12 (A).
12 (A) - Power of Company to purchase its own securities.
Subject to the provisions of the Companies Act 1956 or any other law as in force and which may be amended from time to time, the Board of Directors are authorised to

- purchase from time to time such quantity or quantities of shares or other specified securities of the company, whether or not they are redeemable, at such rate(s) and on such terms as the Board may deem proper and make payment(s) for such purchases and to keep them alive/cancel them and/or resell them from time to time such number(s) of the shares so purchased at such rate(s) and on such terms as the Board may deem proper, in accordance with the provisions of the Companies Act and any other law/rules and regulations as may be applicable from time to time.
9. To consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:
 "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) consent of the Company be and is hereby accorded to the re-appointment of Sh. N. S. Sharma, as a Whole time Director of the Company for a period of 5 (Five) years with effect from 27.03.02 on the terms & conditions including remuneration as set out in the explanatory statement herein, with liberty to the Remuneration Committee / Board of Directors (hereinafter referred as "The Board" which term shall be deemed to include any committee which the Board may constitute to exercise its powers conferred by this resolution) to alter and to vary the terms & conditions of the said appointment and/or remuneration within the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Sh. N. S. Sharma.
 RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."
10. To consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:
 "RESOLVED THAT in partial modifications of the resolution passed by the members of the Company at the Annual General Meeting held on 31st July, 2000 and pursuant to the provisions of the Articles of Association of the Company and Sections 198,269,309,310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said act, as amended and subject to such other approvals as may be necessary, the consent of the Company be and is hereby accorded to the revision in the amount of monthly salary payable to Sh. Sushil Jain, Chairman & Managing Director, to Rs. 1,10,000/- (Rupees one lac ten thousand only) w.e.f. 01.09.2002, subject to such periodic increments as the Board of Directors \ Remuneration Committee may approve from time to time for the remaining period of his tenure of office till 31st July, 2005 provided that all emoluments paid shall in any case be within the overall limits laid down by Schedule XIII to the Companies Act, 1956.
 Provided that all other terms and conditions as approved by the members at the Annual General Meeting held on 31st July, 2000 shall remain unchanged, subject to the consequential variation or increase therein due to the revision in terms of his monthly salary as aforesaid and all emoluments paid and value of perquisites and any other allowance granted shall in any case be within the overall limits laid down in Schedule XIII to the Companies Act, 1956 and any amendments/re-enactment thereof.
 Notwithstanding, where in any Financial Year during the currency of the tenure of the Chairman & Managing Director, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites not exceeding the limits specified above as minimum remuneration but within the limits specified in Schedule XIII to the Companies Act, 1956.
- NOTES:**
1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. Proxies in order to be effective, must be received at the Registered Office/Head Office of the Company not less than Forty Eight Hours before the Meeting. A Proxy form is appended with the attendance slip.
 2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in relation to the Special Business of the Meeting is annexed hereto and forms part of this notice.
 3. The register of Members and Share Transfer Books of the Company will remain closed from 1st August 2002 to 8th August, 2002 (both days inclusive).
 4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during Office hours on all working days except Saturdays and Holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
 5. Member, who hold shares in de-materialised

- form are requested to bring their client ID and DP ID Nos. for easier identification of attendance at the meeting.
6. Members are requested to notify immediately any change in their addresses to the Company and in case their shares are held in Dematerialised form, this information should be passed on to their respective depository participants without any delay.
7. In all correspondence with the Company, members are requested to quote their Account/Folio Numbers and in case their Shares are held in the dematerialised form they must quote their Client ID No. and their DP ID No.

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT
(PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956)**

ITEM NO. 5

Mr. Sanjeev Goel, was appointed as an Additional Director of the Company at the Board Meeting held on 31.05.2002. Mr. Sanjeev Goel, is a young, dynamic Chartered Accountant of 43 years having experience of 20 years. The company has received a notice in writing from a member alongwith a deposit of Rs. 500/- proposing the candidature of Mr. Sanjeev Goel for the office of a Director under the provisions of Section 257 of the Companies Act, 1956.

The Board considers it desirable to receive the benefit out of the experience of Mr. Sanjeev Goel having regard to his qualifications and exposure in Audit, Accounts, Finance, Taxation, Business Rehabilitation and re-structuring. The Board recommends the resolution for approval of the members.

ITEM NO. 6

The Company's Equity Shares are presently listed on Ahmedabad, Calcutta, Delhi & Mumbai Stock Exchanges. During the last several years, the shares of the company are not at all traded on the Ahmedabad and Calcutta Stock Exchanges. Since the listing expenses do not commensurate with the trading activity, the Board of Directors of the Company proposes to delist the shares from the Ahmedabad Stock Exchange and The Calcutta Stock Exchange Association Ltd. with immediate effect and commend the resolution as a Special Resolution.

None of the Directors except to the extent of their shareholding may be treated as concerned or interested in the proposed resolution.

ITEM NO. 7

According to Section 372A of the Companies Act, 1956, any loan or investment made in excess of 60% of the paid-up share capital and free reserves or 100% of the free reserves, whichever is more, requires previous approval of shareholders in a General Meeting. Your Company has been prudently investing its funds in various schemes of Banks and Mutual Funds. Since the Company's investment in the aforesaid instruments may exceed the limits prescribed under Section 372A of the Companies Act, 1956 this enabling resolution is proposed for the approval of the Members so as to authorise the Company to effectively employ / deploy its funds.

None of the Directors of the Company is concerned or interested in the resolution.

ITEM NO. 8

i) The Information Technology (IT) Act, 2000 recognizes Communications in digital or electronic form and holding of Board or Committee Meetings through electronic means are permissible under the IT Act. It is contemplated that necessary amendments to the Companies Act, 1956 and regulatory provisions may be introduced to facilitate conduct of Board or Committee Meetings through electronic means i.e. video or tele-conferencing. Your Directors feel that conduct of Board or Committee Meetings through video or tele-conferencing will facilitate increase in frequency of meetings and participation of Directors from anywhere. This amendment to Articles of Association shall come into force upon notification of necessary amendments to the Companies Act, 1956 and/or necessary clarifications from the Govt. of India.

Your Directors commend your accord for the resolution. None of the Directors is concerned or interested in the resolution.

ii) Now the Companies Act, 1956 has been amended to empower the Company to purchase its own Securities in accordance with the provisions of Section 77A, 77AA and 77B of the Act. It is proposed to add an Article in the Articles of Association of the Company to include the proposed changes in the Companies Act, 1956. The proposed changes will empower the company to avail the benefits of economic liberalisation and provide operational flexibility. These changes require your approval by way of a Special Resolution as set out at Item No. 8 (ii) of the Notice.

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

ITEM NO. 9

The Board of Directors in its meeting held on 31.05.02 has re-appointed Sh. N. S. Sharma as a Wholetime Director for a period of 5 years.

Sh. N. S. Sharma, aged 70 years is B. Sc and B. Tech (Hons) from IIT - Kharagpur. He has accumulated 45 years of extensive working experience in diverse industries such as Pulp & Paper, Steel / PVC Pipes & Tubes and Toners

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in the capacity of Chief Engineer, Works Manager, General Manager & Director Technical respectively. His current responsibilities as Director Technical encompass mainly all the technical matters and the Company benefits from his long, versatile and in-depth experience.

The details of appointment and remuneration payable to Sh. N. S. Sharma as approved by a resolution passed by the Remuneration Committee in its meeting held on 31.05.2002 are as under :

- Name : Sh. N. S. Sharma
 Designation : Whole time Director
 Period : 5 years w.e.f. 27.03.2002 to 26.03.2007
 Salary : Rs. 18,000/- (Rupees eighteen thousand only) per month with increments as may be decided by the Board of Directors of the Company from time to time.
- Perquisites : (i) In addition to the salary, Shri. N. S. Sharma shall also be entitled to perquisites and allowances like House rent allowance, C C A, reimbursement of Uniform expenses, reimbursement of Entertainment expenses, Medicals, L. T. A, Bonus, reward, ex-gratia and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Shri. N. S. Sharma. Such perquisites and allowances will, however, be subject to a maximum of 150% of the Annual Salary of Shri. N. S. Sharma.
 (ii) Benefits under the Provident Fund Scheme, Gratuity Scheme and encashment of leave at the end of the tenure as per Company rules.
 (iii) Provision for use of the Company's car for official duties and telephone at residence. However, long distance personal calls will be paid by Shri N. S. Sharma.
 (iv) The value of the perquisites would be evaluated as per Income Tax Rules, 1962 wherever applicable, and at cost in the absence of any such Rule.
 (v) The Board may, in their Discretion revise / modify any of the terms from time to time within the limits stipulated.
- Minimum : Notwithstanding anything hereinabove stated, where in any financial year during Sh. N. S. Sharma's tenure as Whole time Director, the Company has no profits or its profits are inadequate, Sh. N. S. Sharma will be paid remuneration by way of salary, allowances, perquisites and any other allowances not exceeding the maximum limits as prescribed under Section II of part II of Schedule XIII to the Companies Act, 1956 or within such ceiling as may be prescribed under Schedule XIII from time to time of the Companies Act or as may be re-codified.

The above may also be treated as an abstract of the memorandum of interest of the Wholetime Director, Sh. N. S. Sharma, pursuant to Section 302 of the Companies Act, 1956.

Except Sh. N. S. Sharma none of the Directors of the Company is, in any way, concerned or interested in the resolution.

ITEM NO. 10

Sh. Sushil Jain, aged 43 years is a qualified Engineer from the Delhi College of Engineering, New Delhi. He is having expertise in managing the affairs of Industrial Undertakings and is having experience of more than 20 years in manufacturing industries at top management levels. Sh. Sushil Jain is a Director on the Board of The Pratapur Sugar & Industries Ltd., Bajarang Plastics Private Ltd., Himalaya Power Ltd., Mahavir Phototech Private Ltd., P.K. Business Enterprises Ltd. and Tarini Hydroelectric Power Ltd.

His remuneration was approved by the members at the Annual General Meeting held on 31st July, 2000 at a salary of Rs. 60,000/- p.m., subject to such periodic increments as the Board may approve upto a ceiling of 20% per annum. Considering the inflationary trend and increase in the work and responsibility and also the amount payable to managerial persons occupying similar position in other Companies, the Remuneration Committee at its meeting held on 31.05.2002 has deemed fit to increase the monthly salary of Sh. Sushil Jain, Chairman & Managing Director, to Rs. 1,10,000/- w.e.f. 01.09.2002. Other terms and conditions of his remuneration shall remain the same as approved by the members at the Annual General Meeting held on 31.07.2000, subject to the consequential variation or increase therein due to the revision in terms of his remuneration as aforesaid. The overall improvement in the performance of the company also justifies the revision in the remuneration.

The aforesaid revision is in line with the guidelines given in Schedule XIII to the Companies Act, 1956 and subject to the approval of the members in the Annual General Meeting and such other approvals as may be necessary.

The above statement may be treated as an abstract of terms of contract and memorandum of interest under section 302 of the Companies Act, 1956.

Except Sh. Sushil Jain, none of the Directors is concerned or interested in the resolution.

By Order of the Board
 For INDIAN TONERS & DEVELOPERS LTD.
 (S. C. SINGHAL)
 EXE. DIRECTOR
 & COMPANY SECRETARY

PLACE : New Delhi
 DATED : 31st May, 2002

DIRECTOR S' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

To the Members,

Your Directors have pleasure in presenting their 12th Annual Report alongwith the Accounts for the year ended March 31, 2002

Working Results

	Rs.in lacs	
	For the year ended 31st March, 2002	For the year ended 31st March, 2001
Turnover	<u>2796</u>	<u>2768</u>
Operating Gross Profit	<u>540</u>	<u>557</u>
Less : Financial Charges	104	127
Depreciation & Other		
Amortisations	<u>125</u> <u>229</u>	<u>124</u> <u>251</u>
Profit/(Loss)before tax	<u>311</u>	<u>306</u>
Less : Provision for tax - curent year	<u>22</u>	<u>23</u>
Net Profit/(Loss) before Deferred Tax	<u>289</u>	<u>283</u>
Less : Deferred Tax liability	101	-
Less : Adjustment relating to earlier Years.	-	2
Surplus Available for Appropriation	<u>188</u>	<u>281</u>

OPERATIONS

During the year under review, your company achieved a turnover of Rs. 2796 Lacs as against Rs. 2768 Lacs during last year, thus registering a marginal increase.

The production during the year also increased to 419 MT as against 405 MT of the last year. Through the production and sales have increased in terms of quantity but due to tough competition in the market and import of toner by traders, the per unit sale realisation has come down. However, due to tight control on expenses and lower interest cost, your company has been able to maintain its profits to the last year's level.

FUTURE OUTLOOK AND PLANS

Your Directors are conscious of the tough competition in the market specially from the import of Toners by the traders. To face this challenge, the Company has an ongoing programme of augmenting its production capacity for benefiting from the economics of scale, develop and introduce newer products upcomming in the domestic and export markets and give thrust to export promotion. Customers' satisfaction, strengthening the established brand image by offering customers quality products at reasonable prices is the

continuing aim of your Company. Your Company has further expanded the distribution channels to ensure faster services, more effective distribution, better presence and greater market penetration of the products of the Company.

RESERCH AND DEVELOPMENT ACTIVITIES

Last year, you were informed about the decision of your Directors to install a Pilot Plant to develop new quality products at competitive prices to face the global competition. To achieve this, efforts were accelerated for the procurement of Pilot Plant for R & D purposes. Orders for the equipment have already been placed on the foreign suppliers, the building for R & D is nearing completion and it is expected that the installation work will be completed and the R & D will start functioning in August/September, 2002. Research & Development has been the cornerstone of ITDL's success and this centre will strengthen its professionals in delivering new & higher quality products and thus maintain our privileged standing with our valued customers.

FIXED DEPOSITS

The Company has not invited any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

DIRECTORS

Shri M. R. Jain and Shri P. K. Kanoria, Directors of the Company will retire by rotation at the

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forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Sh. Sanjeev Goel was appointed as Additional Director of the Company w.e.f. 31st May, 2002. The Company has received a notice in writing from a Member of the Company Under Section 257 of the Companies Act, 1956 signifying his intention to propose the appointment of Mr. Sanjeev Goel as a Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

The Directors hereby confirm :-

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period.
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

AUDITORS

M/s. K.N. Gutgutia & Co., Chartered Accountants, New Delhi, Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The requisite certificate under Section 224 (1) (b) of The Companies Act, 1956 has been received from them.

OTHER INFORMATION

The other information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure - "A" of this report.

PERSONNEL

Cordial Industrial relations continued to prevail thereby further strengthening employees' commitment to the growth of the Company.

The Board wishes to express its deep appreciation to all sections of the Employees for their whole hearted efforts, co-operation and outstanding contribution to the growth of the Company during the year.

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and Companies (Particulars of

employees) (Amend) Rules, 2002.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Additional information to the extent applicable on conservation of energy, technology absorption, foreign exchange earning and outgo is required to be disclosed in terms of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is annexed hereto and forms part of this report.

DISCLOSURES UNDER LISTING AGREEMENT

The equity shares of the Company are listed at, Ahmadabad, Delhi, Calcutta and Mumbai Stock Exchanges. The Company is regular in paying the listing fees on demand by the respective stock exchange.

During the last several years, the shares of your Company are not at all traded on the Calcutta and Ahmedabad Stock Exchanges and as such the Listing expenses do not commensurate with the trading activity. With a view to control the expenditure and conserve resources, it is proposed to delist the shares from the Calcutta and Ahmedabad Stock Exchanges.

DEMATERIALISATION OF SECURITIES

As informed in the last years Directors' Report, the shares of your Company were included in the compulsory list for trading in dematerialisation form with effect from 30.10.2000 and your company had entered into necessary agreements with both the Depositories i.e. NSDL (National Securities Depository Limited) and CDSL (Central Depository Securities Limited). It is, therefore, advisable to trade in the securities of the company in dematerialised form which is convenient and safe.

AUDIT COMMITTEE

As required under the provisions of Section 292 A of the Companies (Amendment) Act, 2000, your Board constituted an Audit Committee on 31st January, 2001. The Audit committee Meetings were held on 11.06.2001, 31.10.2001 and 31.01.2002 during the year

CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement entered into with Stock Exchanges, the code of Corporate Governance will be applicable within the financial year 2002-2003. Your Company has already taken necessary steps for implementation of the same.

ACKNOWLEDGEMENT

Your Directors acknowledge the co-operation and assistance extended by various agencies of the Central Government, the Uttar Pradesh Government, Financial Institutions, State Bank of India and Customers. Your Directors also thank the shareholders for their continued support.

Place : New Delhi
Dated : 31st May 2002

For & on behalf of the Board
(SUSHIL JAIN)
Chairman & Managing Director