

M/s. Khodiyar Industries Limited

Notice

Notice is hereby given that 18th Annual General Meeting of the Share Holders of **M/s. Khodiyar Industries Limited** will be held at Vijapur Road, Mansa - 382845. The registered office of the Company on 19th September 2003 at 11 a.m. So as to transact the following business :

- 1) To received consider & adopt the Company's Audited Balance Sheet at **31st March, 2003** read to gather with the notes there on & the report of Director's and Auditors' thereon.
- 2) To appoint a director in place of Shri Patel Dalsukhbhai D., who retires by rotation and being eligible offers himself for reappointment.
- 3) To Reappoint Auditors to hold Office from the conclusion of this Annual General Meeting till conclusion of the next Annual General Meeting of the Company & to authorise the Board of Director to Fixed their remuneration.

For, and on behalf of Board of Directors

Place : Ahmedabad

For, Khodiyar Industries Limited

Date : 28/08/2003



Chairman

M/s. Khodiyar Industries Limited

Director's Report

To,
The Members.

The Directors have pleased herewith the 19th Annual Report together with Audited Statement of Accounts for the Period ended on 31st March 2003.

Auditors :

M/s. Ingit Modi Associates, Chartered Accountants, Ahmedabad Retire at the conclusion of the Annual General Meeting and being eligible, offer themselves for reappointment and to fix their remuneration.

The Company has no foreign exchange earning or outgoes during the period under review.

Y2k Compliance: The Company does not require this compliance since computerisation was not involved at any stage.

There are no employee whose particulars pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of the Employee) Rules, 1975 are to be disclosed.

For, and on behalf of Board of Directors

Place : Ahmedabad
Date : 28/08/2003

For, Khodiyar Industries Limited


Chairman

**INGIT MODI ASSOCIATES
CHARTERED ACCOUNTANTS
M.NO.42822**

103, Panlee Complex,
Opp. Sardar Patel Seva Samaj Hall
Ahmedabad-380 009.
Phone : 6460960

AUDITOR'S REPORT

To,
The Member,
M/s Khodiyar Industries Limited,
Ahmedabad.

We have audited the attached Balance Sheet of M/s Khodiyar Industries Limited as at 31-3-2003 and also annexed Profit and Loss Account of the Company for the year ended on that date.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As required by the Manufacturing and other Companies (Auditor's Report) Order 1988, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in paras 4 and 5 of the said Order to the extent applicable and based on such checks as are considered appropriate.

Further to our comments in the Annexure referred to above:

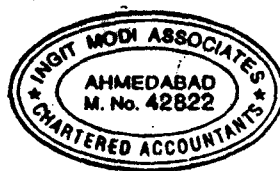
1. We have obtained all the information and explanation which to the best of our knowledge and belief necessary for the purposes of our audit.
2. In our opinion, proper Books of Account as required by the law have been kept by the Company so far as appears from examination of the books.
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with Books of Accounts;



4. In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
5. On the basis of the written representations received from Directors, as on **31st March 2003**, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on **31st March, 2003** from being appointed as a director in terms of clause(g) of sub-section (1) of section 274 of the Companies act.
6. In our opinion and to the best of our information and according to the explanations given to us, the Accounts read in conjunction with other Notes on Accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a. In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March 2003**; and
 - b. In the case of the Profit and Loss Account, of the Loss for the year ended on that date.

Place : Ahmedabad.
Date : 28/08/2003

For Ingit Modi Associates
Chartered Accountants

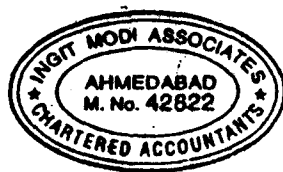


(Ingit Modi)
Proprietor

4. In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
5. On the basis of the written representations received from Directors, as on 31st March 2003, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2003 from being appointed as a director in terms of clause(g) of sub-section (1) of section 274 of the Companies act.
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 - a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2003; and
 - b. In the case of the Profit and Loss Account, of the Loss for the year ended on that date.

Place : Ahmedabad.
Date : 28/08/2003

For Ingit Modi Associates
Chartered Accountants



(Ingit Modi)
Proprietor