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# ANNUAL REPORT AND ACCOUNTS

## 2000-2001

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# KILBURN REPROGRAPHICS LIMITED

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## KILBURN REPROGRAPHICS LTD.

| | |
|---|---|
| **DIRECTORS** | SANDEEP KUMAR JALAN - CHAIRMAN<br>V. VANCHI - MANAGING DIRECTOR<br>A. KHAITAN<br>RAJIV KHAITAN<br>C. R. PAUL<br>MANMOHAN SINGH<br>A. D. NANAIYA |
| **COMPANY SECRETARY** | D. K. GHOSH |
| **REGISTRARS & SHARE TRANSFER AGENTS** | MAHESHWARI DATAMATICS PVT. LTD.<br>6, MANGOE LANE, 2ND FLOOR<br>SURENDRA MOHAN GHOSH SARANI<br>KOLKATA - 700 001 |
| **AUDITORS** | LOVELOCK & LEWES<br>CHARTERED ACCOUNTANTS |
| **SOLICITORS** | KHAITAN & CO. |
| **BANKERS** | CANARA BANK<br>UNITED BANK OF INDIA<br>CENTRAL BANK OF INDIA |
| **REGISTERED OFFICE** | FOUR MANGOE LANE<br>SURENDRA MOHAN GHOSH SARANI<br>KOLKATA - 700 001 |
| **CORPORATE OFFICE** | 'SHANTINIKETAN'<br>15TH & 16TH FLOOR<br>8, CAMAC STREET,<br>KOLKATA - 700 017 |
| **FACTORY** | 'BHASA' DIAMOND HARBOUR ROAD<br>P.O. BISHNUPUR<br>DIST. 24-PARGANAS (S)<br>PIN - 743 503 |
| **REGIONAL OFFICES** | EASTERN REGIONAL OFFICE<br>7, RED CROSS PLACE<br>KOLKATA - 700 001<br><br>WESTERN REGIONAL OFFICE<br>GRESHAM ASSURANCE HOUSE<br>SIR PHIROZESHAH MEHTA ROAD<br>(ABOVE ANZ GRINDLAYS BANK)<br>FORT, MUMBAI - 400 001<br><br>SOUTHERN REGIONAL OFFICE<br>200, PETERS ROAD, ROYAPETTAH,<br>CHENNAI - 660 014<br><br>NORTHERN REGIONAL OFFICE<br>B-161/4, GAUTAM NAGAR<br>GULMOHAR HOUSE, 4TH FLOOR<br>NEW DELHI - 110 049 |

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# KILBURN REPROGRAPHICS LIMITED

## NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Company will be held at Gyan Manch, 11, Pretoria Street, Calcutta-700 071, on Tuesday, the 25th day of September, 2001 at 11.00 a.m., to transact the following business :-

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2001 and the Profit and Loss Account for the year ended as on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint Directors in place of Mr. C.R. Paul and Mr. M. Singh, who retire by rotation and being eligible offer themselves for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**AS SPECIAL BUSINESS**

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

   "RESOLVED THAT subject to the provisions required by Schedule XIII of the Companies Act, 1956, the Company hereby approves the re-appointment of Mr. V. Vanchi, as the Managing Director of the Company for a further period of three years with effect from 14th November, 2000, on the terms and conditions enumerated in the Explanatory Statement."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :-

   "RESOLVED THAT subject to approval of the Central Government under Section 21 of the Companies Act, 1956, the name of the Company be and is hereby changed from "KILBURN REPROGRAPHICS LIMITED" to "KILBURN OFFICE AUTOMATION LIMITED".

6. To consider and if thought fit, to pass with or without modification(s) the following resolutions as Special Resolutions :-

   "RESOLVED THAT subject to the Provisions of Section 17 of the Companies Act, 1956, the existing Clause III A (2) be deleted from the main objects of the Memorandum of Association of the Company."

   "RESOLVED FURTHER THAT the above Clause III A (2) be inserted as Clause III C (19) under Other Objects in the Memorandum of Association of the Company."

By Order of the Board

Date : 27th July, 2001
Place : Calcutta

KILBURN REPROGRAPHICS LIMITED
S.K. JALAN
CHAIRMAN

NOTES

1. The Register of Members of the Company will remain closed from 18th September, 2001 to 25th September, 2001 (both days inclusive).
2. A Member entitled to attend and vote at the Meeting may appoint a proxy to attend and vote thereat instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received by the Company at its Registered Office or Corporate Office at "Shantiniketan", (15th & 16th Floor), 8, Camac Street, Calcutta-700 017 not less than forty eight hours before the meeting.
3. Shareholders are requested to bring the admission slip alongwith their Copy of the Reports at the Annual General Meeting.
4. The Relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
5. The Item No. 6 requires the consent of the shareholders through Postal Ballot which is enclosed. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Company in the attached self-addressed envelope. The same should be received on or by 21st September 2001 by the Scrutinizer :

Mr. Shyamal Bhattcharjee,
The Scrutinizer,
C/o Kilburn Reprographics Limited.
"Shantiniketan", 15th & 16th Floor,
8, Camac Street, Kolkata - 700 017



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## EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 4

The Board of Directors at its meeting held on 30th October, 2000 has re-appointed Mr. V. Vanchi, as the Managing Director of the Company subject to the approval of the members as required under Part III of Schedule XIII of the Act. An abstract of the terms and conditions of Mr. V. Vanchi's re-appointment is set out below for information :-

| | | |
|---|---|---|
| Period | : | Mr. V.Vanchi shall be the Managing Director of the Company for a period of three years with effect from 14th November, 2000. |
| Duties | : | Mr. V. Vanchi, shall subject to the superintendence, control and direction of the Board perform such duties and exercise such powers which have been or may from time to time be entrusted to or vested in him by the Board. |
| Remuneration | : | Mr. V. Vanchi shall be entitled to receive the following by way of remuneration :- |
| Salary | : | Rs. 45,000/- per month with such revision as the Board may approve from time to time in the salary grade of Rs. 45,000/- to Rs. 60,000/- per month. |
| Commission | : | At the rate of 1% of the net profits of the Company subject to a celling fo fifty percent of the annual salary. |
| Perquisites | : | In addition to the above remuneration Mr. V. Vanchi shall also be entitled to perquisites like furnished accommodation, gas, electricity, water, soft furnishings, medical reimbursements and leave travel concession for self and family, club fees, lump sum annual allowances, bonus, ex-gratia, medical insurance, personal accident insurance, leave encashment, benefit of Provident Fund, Superannuation Fund and Gratuity Fund, Car and telephone etc., in accordance with the rules of the Company. |
| Minimum Remuneration | : | In the event of loss or inadequacy of profits in any year during the tenure of his office, the remuneration payable to him for that year shall be determined and allocated by the Board within the ceiling limit laid down in paragraphs 1 & 2 of Section II of part II of the Schedule XIII to the Act. |
| Other Conditions | : | The agreement also sets out the mutual rights and obligations of the concerned parties and other administrative details.<br>The re-appointment and remuneration of Mr.V. Vanchi as the Managing Director of the Company requires the approval of the members of the Company in General Meeting in terms of Part III of Schedule XIII of the Companies Act, 1956. |

The Board recommends the resolution for the approval of the Members.

No Director of the Company other than Mr. V. Vanchi is concerned or interested in the said resolution.

ITEM NO. 5

The present name of the Company does not fully reflect the activities of the Company. With the increasing importance being attached to marketing and servicing of all types of Office Equipments, it would be appropriate to change the Company's name such as to ensure closer coverage of the envisaged areas of business. Hence, the Company's Name be changed from "KILBURN REPROGRAPHICS LIMITED" to "KILBURN OFFICE AUTOMATION LIMITED." Under Section 21 of the Companies Act, 1956, it is required to be passed by a Special Resolution at the General Meeting.

The Board recommends the resolution for the approval of the Members.

No Directors is concerned or interested in the said resolution.

ITEM NO. 6

In accordance with the conditional availability of Name from the Registrar of Companies, W.B. mentioned in Item No. 5, the Existing Clause III A (2) shall have to be deleted from the Main Objects of the Memorandum of Association of the Company. This Clause is therefore, proposed to be retained Under Clause III C (19) in the Other Objects of the Memorandum of Association of the Company. The alterations of the Objects Clause of the Memorandum of Association of the Company are accordingly necessary under Section 17 of the Companies Act, 1956, by a Special Resolution at the General Meeting. In accordance with the Section 192 A of the Companies Act, 1956 and the rules made thereunder the voting Process shall be conducted by Postal Ballot only as mentioned in the Notice as Item No. 5 of the Notes.

The Board recommends the resolution for the approval of the Members.

No Director is concerned or interested in the said resolution.



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# DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2001

Your Directors submit their Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2001.

## PERFORMANCE OF THE COMPANY

Your Company recorded the following results for the Financial Year ended 31st March, 2001.

| | Year Ended 31-03-2001 | Year Ended 31-03-2000 (18 months) |
|---|---|---|
| Gross Operating Loss | (2,24,02,429) | (2,18,36,372) |
| Depreciation | 20,89,854 | 33,55,534 |
| Net Loss | (2,44,92,283) | (2,51,91,906) |
| Profit/(Loss) brought forward from previous year | (2,09,13,675) | 42,78,231 |
| Deficit carried to Balance Sheet | (4,54,05,958) | (2,09,13,675) |

## PERFORMANCE REVIEW

The turnover of the Company at Rs. 29.96 Crores during the year ended 31st March, 2001 was lower compared to expectations. This was mainly due to recessionary conditions prevailing in the Indian economy and impact of the national calamity in Gujarat. Besides, some large tenders which were to be finalised within the year have spilled over to the current year. The Company was, however, able to sustain its market share in Mailing Products, which has been its traditional area of strength. Besides, service income revenues also registered healthy growth and was Rs. 6.94 Crores as against Rs. 5.80 Crores in the previous year (on annualised basis).

## FUTURE PROSPECTS

Various steps have been taken by the Company to reverse the trend on performance and sales growth in terms of better product and service offerings, productivity enhancement at all levels, manpower rationalisation and cost controls.
Your Company's business on Mailing Equipment in tie-up with Pitney Bowes, U.S.A as also the other tie-ups with M/s. Kyocera Mita Singapore Pte Ltd. and Wipro e-Peripherals Ltd. are progressing satisfactorily. Your Company is continuously exploring possibilities of expanding the product range for better utilisation of its marketing infrastructure and related overheads.
Your Company has been able to achieve some significant breakthroughs in the beginning of the year, which are expected to favourably impact the performance for the year. Also with the continuously growing MIF (Machine-in-Field) your Company expects a steady rise in service income revenue over the years.

## CHANGE OF NAME

It has been increasingly felt that the present name of the Company does not fully reflect the current activities of the Company. As such, it has been considered expedient to change the name to "Kilburn Office Automation Limited" from the existing "Kilburn Reprographics Limited". The proposed name has been made available by the Registrar of Companies, West Bengal and the same will be placed before the Members for their approval at the ensuing Annual General Meeting of the Company. Certain alterations consequent to the change of name are required to be made in the Memorandum of Association of the Company. In accordance with the Section 192 A of the Companies Act, 1956 and the rules made thereunder, the voting Process shall be conducted by Postal Ballot at the ensuing Annual General Meeting of the Company.

***Statement Pursuant to the Provisions of Sec. 217(1) (e) of the Companies Act. 1956 Read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure "A"***

***Statement Pursuant to the Provisions of Sec. 217(2A) of the Companies Act. 1956 Read with the Companies (Particulars of Employees) Rules, 1975.***

No employee of the Company was in receipt of remuneration during the Financial Year ended 31st March, 2001, in excess of the sum prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## DIRECTORS

Mr. C. R. Paul and Mr. M. Singh retire from office by rotation in accordance with the provisions of the Companies Act. 1956 and the Articles of Association of the Company, and being eligible, offer themselves for re-appointment.

The Board places on record its appreciation for the valuable contribution of Mr. Samir Ghosh and Mr. P. Majumdar during their tenure on the Board.

## DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of the Companies Act, 1956, your Directors have :

a) followed in the preparation of the Annual Accounts, the applicable accounting standards with proper explanation relating to material departures;

b) 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 your Company at the end of the financial year and of the loss of your Company for that period;

c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and

d) prepared the Annual Accounts on a going concern basis.

## AUDITORS

Messrs. Lovelock & Lewes, Chartered Accountants, the Auditor of the Company, retire and being eligible, shall subject to Section 224 of the Companies Act, 1956 offer themselves for reappointment.
The Directors are of the view that notes to the Accounts adequately provide the necessary information and answer the observations of the Auditors in their Report.



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**ACKNOWLEDGEMENT**

*Your Directors acknowledge the recognition given and trust reposed in your Company by the Depositors, Financial Institutions, Banks, Securities & Exchange Board of India, Registrar of Companies, Reserve Bank of India, Stock Exchanges and other Government Agencies and record appreciation for their support and look forward to their continued confidence in the Company. Your Directors also place on record their appreciation for the valuable contribution and co-operation of all categories of employees Company.*

*For and on behalf of the Board*
*Place : Kolkata* — *S. K. Jalan*
*Date : 27th July, 2001* — *Chairman*

## *Annexure 'A' to the Directors' Report*

## *Statement pursuant to the Provisions of Sec. 217(1)(e) of the Companies Act, 1956 Read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988*

A. ***Conservation of Energy***

a) *Energy Conservation measures taken :*
*The existing plant and machinery of the Company and construction of Factories have been planned to avail of the maximum natural light facilities as ventilation. The Company does not have intense requirements of energy.*

b) *Additional investments and proposals, if any being implemented for reduction of Consumption of energy :*
*No substantial investments required for reduction of consumption of energy at present.*

c) *Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production goods :-*
*Our existing energy consumption itself is not substantial and impact of measures taken as per para (a) above cannot be gauged accurately.*

B) ***Technology Absorption***

*Research & Development (R & D)*

1) *Specific areas in which R & D carried out by the Company.*
*Apart from undertaking R & D for product development of our existing products like Plastic Comb Binding Machine, Stamp Cancelling Machine, our own R & D has successfully carried out new product development of :*
i) *Advance model of Plastic Comb Binding Machine and*
ii) *Modified version of Stamp Concelling Machine for use in Revenue applications.*

2) *Benefits derived as a result of above R & D :*
i) *Inspite of rising cost of basic inputs for our existing products, our Company has been able to curtail the cost to a large extent due to indigenous components and continuous effort to develop cheaper alternatives.*
ii) *Due to the knowledge acquired in developing the above and undertaking value engineering in respect of the existing products, the Company has acquired expertise for future diversification/ expansions.*

3. *Future plan of action :*
*Keeping in view the fast changing scenario in the Industry, the Company will carry out research and development for introduction of new products, in response to the market need by way of modification and improvement of its existing products and curtail the cost of production by way of value engineering and import substitution.*

4. *Expenditure on R & D :*

| | | |
|---|---|---|
| a) | *Capital* | *Research & Development is carried out by the Company as part of Production Process and therefore, no seperate cost has been booked under the head "Research & Development."* |
| b) | *Recurring* | |
| c) | *Total* | |
| d) | *Total R & D expenditure as Percentage of total turnover* | |

*Technology, absorption, adaption and innovation:*

*As a consequence of the continuing efforts of the Company towards upgradation of technology, the Company has had no occassion to import any technology, during the last year. R & D activities are being directed mainly towards expanding the existing product range.*

*Imported Technology :*

*The Company has not imported any technology.*

C) ***Foreign Exchange Earnings & Outgo***

a) *Foreign Exchange Earnings : Nil*

b) *Total Foreign exchange used :*

*The expenditure in foreign exchange has been equivalent to Rs. 6,07,21,428 comprising of Rs. 5,90,85,794 being the CIF value of imports consisting of raw materials,finished goods and components and Rs. 16,35,634 for travelling and others.*

*For and on behalf of the Board*
*Place : Kolkata* — *S. K. Jalan*
*Date : 27th July, 2001* — *Chairman*



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# AUDITORS' REPORT

## TO THE SHAREHOLDERS OF KILBURN REPROGRAPHICS LIMITED

1. We report that we have audited the attached Balance Sheet of Kilburn Reprographics Limited as at 31st March, 2001 signed by us under reference to this report and the relative Profit and Loss Account for the year ended on that date which are in agreement with the books of account.

2. Further to our comments above, we report that :

a) ***We are unable to express opinion on the realisability/ recoverability of Raw materials, Finished goods and components and Loans and Advances amounting to Rs. 29,41,476, Rs. 50,20,205, and Rs. 1,91,39,347 respectively and the resultant provisioning, if any, that may arise therefrom in the absence of detailed information.***

b) ***We are unable to comment on the quantum of adjustments, if any, that may be required to be given effect to reflect the net realizable value in respect of capital work in progress amounting to Rs. 22,85,000 representing projects not being presently pursued by the company in the absence of detailed information.***

c) ***As indicated in Note No 1 (m) of Schedule XVI, service income and interest costs are accounted for on cash basis. However the consequential effect on the loss for the year and net assets position of the company as at the year end has not been presently ascertained.***

d) Reference is invited to Note No. 20 in Schedule XVI regarding recoverability of certain loans and advances and deposits which in the opinion of the Management are good and recoverable and for which no provision is required at this stage.

3. In our opinion and to the best of our information and according to the explanations given to us and subject to our remarks in paragraphs 2(a), 2(b) and 2(c) above with consequential effect on the net assets as on 31st March, 2001 and the results for the year ended on that date which cannot be ascertained and read with our remarks in paragraph 2(d) above, the said accounts together with the Schedules and notes thereon give the information required by the Companies Act, 1956 of India ('The Act') in the manner so required and the Balance Sheet gives a true and fair view of the state of the Company's affairs as at 31st March, 2001 and the Profit & Loss Account gives a true and fair view of the results for the year ended on that date.

4. Subject to our remarks in paragraphs 2(a), 2(b) and 2(c) above, 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 and subject to our remarks in paragraph 2(c) above, in our opinion, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books. In our opinion, the Profit & Loss Account and the Balance Sheet of the Company have complied with the specified accounting standards referred to in sub section (3C) of Section 211 of 'The Act'.

5. On the basis of written representations received from the directors and taken on record by the board of directors, we report that none of the directors is disqualified from being appointed as a director on the board of the company as on 31st March, 2001 in terms of section 274(1)(g) of the Companies (Amendment) Act, 2000.

6. As required by the Manufacturing and Other Companies ( Auditor's Report ) order, 1988 dated 7th September, 1988 issued by the Central Government of India in terms of Section 227 ( 4A ) of 'The Act' and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of our audit, we further report that :

i) The Company in our opinion is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management at reasonable intervals and no material discrepancies between book records and physical inventories were noticed on such verification.

ii) The fixed assets of the Company have not been revalued during the year.

iii) The stock of finished goods, including components and raw materials of the Company except stock lying with third parties have been physically verified by the management during the year and the frequency of such verification is reasonable.

iv) In our opinion the procedures of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.

v) The discrepancies noticed on physical verification of stocks as compared to book records which in our opinion were not material have been properly dealt with in the books of account.

vi) On the basis of our examination of stock records, we are of the opinion that the valuation of the stock is fair and proper in accordance with the normally accepted accounting principles, and is on the same basis as in the preceding year.

vii) The Company has during the period taken unsecured loans from companies listed in the register maintained under Section 301 of 'The Act' and the rate of interest and other terms



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and conditions are not prima facie prejudicial to the interest of the Company. The Company has not taken any loan from firms or other parties listed in the register maintained under Section 301 of 'The Act'. In terms of sub section (6) of Section 370 of 'The Act', provisions of the Section are not applicable to a company on or after the commencement of the Companies (Amendment) Act, 1999 of India.

viii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of 'The Act'. In terms of sub section (6) of Section 370 of 'The Act', provisions of the Section are not applicable to a company on or after the commencement of the Companies ( Amendment) Act, 1999 of India.

ix) The parties including employees to whom loans or advances in the nature of loans have been given by the Company are generally repaying the principal amounts as stipulated where such stipulations are available and are also regular in payment of interest wherever applicable save for loans and advances amounting to Rs 1,91,39,347 in respect of which, in our opinion, reasonable steps for recovery need to be taken.

x) In our opinion, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of stores, raw material and components, plant and machinery, equipment and other assets and for the sale of goods.

xi) There are no transactions of purchases of goods and materials and sale of goods, materials made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of 'The Act', aggregating during the year to Rs 50,000/- or more in respect of each party save for sale of services to a company. We are however unable to ascertain the reasonability of the price involved in the said service contract due to the absence of readily available market price.

xii) In our opinion, the Company has a regular procedure for the determination of unserviceable or damaged stores, raw materials and finished goods and necessary adjustments for the loss arising therefrom have been in the accounts.

xiii) The Company has complied with the provisions of Section 58A of 'The Act' and the rules framed thereunder with regards to deposits accepted from the public.

xiv) In our opinion the Company is maintaining reasonable records for the sale and disposal of realisable scraps. There are no by products arising out of the manufacturing process of the Company.

xv) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

xvi) Maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of 'The Act' for any of the products of the Company.

xvii) The Company has been generally regular in depositing Provident Fund dues with the appropriate authorities in India. Other than for certain categories of employees pertaining to the Calcutta factory as indicated in Note 4 of Schedule XVI, the Company is generally regular in depositing its Employee State Insurance dues with the appropriate authorities in India.

xviii) There are no amounts outstanding as on 31st March, 2001 in respect of undisputed Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty which were due for more than six months from the date they become payable.

xix) According to the information and explanations given to us and the records of the Company examined by us in accordance with generally accepted audit practices followed in India , no personal expenses of employees have been charged to Revenue Account, other than those payable under contractual obligation or in accordance with generally accepted business practice.

xx) The Company is not a sick industrial company within the meaning of Section 3(1)(o) of the Sick Industrial Companies, (Special Provision) Act of 1985 of India.

xxi) In respect of service activities :

a) The Company has, in our opinion, a reasonable system of recording receipts, issues and consumption of materials and stores and allocating materials consumed to the relative jobs commensurate with the size and nature of its business.

b) Though the Company does not have a system of allocating man-hours consumed to the relative jobs, in our opinion reasonable control is exercised thereon.

c) There is, in our opinion, a reasonable system of authorisation at proper levels and adequate system of internal control commensurate with the size and nature of its business on the issue and allocation of stores to jobs and as the system does not provide for allocation of labour to relative jobs, the question of reporting on authorisation and related control thereon does not arise.

xxii) In respect of Company's trading activities damaged goods have been determined and necessary adjustments for the loss have been made in the accounts.

For Lovelock & Lewes
Chartered Accountants

Place : Kolkata
Dated : 27th July, 2001

Prabal Kr. Sarkar
Partner



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## BALANCE SHEET
## AS AT 31ST MARCH , 2001

| | Schedule No. | Rs. | 31ST MARCH. 2001 Rs. | Rs. | 31ST MARCH. 2000 Rs. |
|---|---|---|---|---|---|
| I. SOURCES OF FUNDS | | | | | |
| 1. Shareholders' Funds | | | | | |
| a) Share Capital | I | 7,20,01,000 | | 7,20,01,000 | |
| b) Reserves and Surplus | II | 1,66,52,900 | | 1,66,52,900 | |
| | | | 8,86,53,900 | | 8,86,53,900 |
| 2. Loan Funds | III | | | | |
| Secured Loans | | 17,27,58,435 | | 16,70,25,361 | |
| Unsecured Loans | | 15,99,27,000 | 33,26,85,435 | 15,55,74,000 | 32,25,99,361 |
| TOTAL : | | | 42,13,39,335 | | 41,12,53,261 |
| II. APPLICATION OF FUNDS | | | | | |
| 1. FIXED ASSETS | IV | | | | |
| a) Gross Block | | 4,74,57,381 | | 5,15,93,463 | |
| b) Less:Depreciation & Lease Terminal | | 1,45,38,396 | | 1,72,58,181 | |
| c) Net Block | | | 3,29,18,985 | | 3,43,35,282 |
| d) Capital Work in Progress | | | 22,85,000 | | 22,85,000 |
| 2. INVESTMENTS | V | | 5,30,000 | | 5,30,000 |
| 3. CURRENT ASSETS,LOANS AND ADVANCES | | | | | |
| a) Inventories | VI | 16,22,96,135 | | 17,18,96,749 | |
| b) Sundry Debtors | VII | 21,79,86,968 | | 18,54,63,239 | |
| c) Cash and Bank balances | VIII | 1,56,81,335 | | 1,78,32,172 | |
| d) Loans and Advances | IX | 8,06,59,207 | | 8,26,85,064 | |
| | | 47,66,23,645 | | 45,78,77,224 | |
| Less:Current Liabilities | X | 15,17,97,732 | | 12,27,44,182 | |
| Net Current Assets | | | 32,48,25,913 | | 33,51,33,042 |
| 4 a) Miscellaneous Expenditure (to the extent not written off or adjusted) | XI | | 2,41,23,479 | | 2,68,06,262 |
| b) Profit & Loss Account | | | 3,66,55,958 | | 1,21,63,675 |
| TOTAL | | | 42,13,39,335 | | 41,12,53,261 |

Notes on Accounts XVI

The Schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our Report of even date.

For LOVELOCK & LEWES
Chartered Accountants

PRABAL KR. SARKAR
Partner

S K JALAN
Chairman
V VANCHI
Managing Director
S NAG
Vice President Finance
D K GHOSH
Company Secretary

Kolkata, 27 th July' 2001



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