

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

Regd. Office: Oswal Woollen Mills Ltd, G. T. Road, Sherpur, Ludhiana.

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the members of Kovalam Investment & Trading Company Limited, will be held at Regd. Office of the Company on Friday the 20th day of SEPTEMBER 2002 at 4:30 P.M. to transact the following business:

ORDINARY BUSINESS

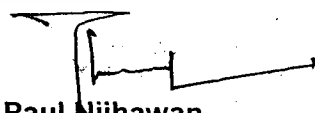
1. To receive, consider and adopt the audited Balance Sheet as at 31.03.2002, the Profit and Loss account for the financial year ended on that date and the reports of directors and auditors thereon.
2. To appoint Director in place of Sh. Sat Paul Nijhawan who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

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For and on behalf of the Board,

Place : LUDHIANA

Dated : 23/8/2002


Sat Paul Nijhawan,
Chairman.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY SHALL REMAIN CLOSED FROM 18TH SEPTEMBER 2002 TO 20TH SEPTEMBER 2002 (BOTH DAYS INCLUSIVE) FOR AGM PURPOSE.
4. MEMBERS SEEKING ANY INFORMATION WITH REGARD TO ANNUAL ACCOUNTS AT THE TIME OF MEETING ARE REQUESTED TO SEND THEIR QUERIES TO THE COMPANY AT LEAST SEVEN DAYS BEFORE THE DATE OF MEETING SO AS TO ENABLE THE MANAGEMENT TO KEEP THE RELEVANT INFORMATION READY.
5. MEMBERS ARE REQUESTED TO NOTIFY THE CHANGE IN THEIR ADDRESS, IF ANY, TO THE COMPANY AT THE EARLIEST.

**For KOVALAM INVESTMENT
& TRADING CO. LTD.**


Director

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

Regd. Office: Oswal Woollen Mills Ltd, G. T. Road, Sherpur, Ludhiana.

DIRECTOR'S REPORT**TO THE MEMBERS :**

Your directors present the 20TH Annual Report together with the audited accounts of the company for the year ended 31st March 2002.

WORKING RESULTS :

The working results of the company for the year under report are as under :

	Amount in (Rs)	
	Year Ended 31.03.2002	Year Ended 31.03.2001
Gross Income	24,62,703	23,48,225
Profit Before Tax	23,49,473	20,54,653
Provision for Income Tax	4,57,888	4,18,003
Provision for Deferred Tax	16,735	-
Profit after Tax for the year	18,74,850	16,36,650
Add : Balance B/F from Previous year	1,62,71,591	1,46,34,823
Add: Excess Provision of Income Tax Written Back	34,101	118
Less: Income Tax Adjustment of earlier year.	88,230	-
Available for appropriation	1,80,92,312	1,62,71,591
Transferred to Reserve Fund	-	-
Balance Carried Forward	1,80,92,312	1,62,71,591

OPERATIONS :

During the year under review the company's funds remained invested in Shares, Loans and Advances. The dividend income earned was Rs. 1020408/- (previous year Rs. 1149843/-). The interest income earned was Rs 1255642/- (previous years Rs. 1032794/-). During the year the company also earned brokerage income of Rs. 186653/- (previous year 165588/-)

DIVIDEND

Due to insufficiency of profits your directors do not recommend any dividend for the year under consideration.

DIRECTORS:

She Sat Paul Nijhawan, Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

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DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- I) That in the preparation of the annual accounts for the financial year ended 31st March, 2002, the applicable accounting standards had been followed along with proper explanation relating to material departure
- II) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give 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 the year under review.
- III) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV) That the directors had prepared the accounts for the financial year ended 31/3/2002 on a 'going concern' basis.

COMPLIANCE CERTIFICATE:

A certificate from a secretary in whole time practice regarding compliance of all provisions of the Companies Act as required under provisions of the Companies Act as required under proviso to section 383A of the Act is attached to this report.

FIXED DEPOSITS:

During the year the company did not accept any public deposit during the financial year under consideration within the meaning of Section 58-A of the Companies Act, 1956 and to which Para 4 – 8 of Non-Banking Financial Companies (Reserve Bank) directions, 1998 apply.

AUDITORS :

M/S. GUPTA VIGG & CO Chartered Accountant, Ludhiana, the auditors of the company, retire at the conclusion of the forthcoming Annual General Meeting and offer themselves for reappointment.

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CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO :

Information as per Section 217(1)(e) read with companies (disclosure of Particulars in the report of Board of Directors), Rules 1988 is given as under :

I	Conservation of energy	N..A
II	Technology absorption	N.A.
III	Foreign Exchange Earning and out go	N:A

PARTICULARS OF EMPLOYEES

None of the employees is covered under companies (Particulars of employees), Rules, 1975 made in accordance with section 217(2A) of the companies Act, 1956. Hence no statement u/s 217(2A) of the companies act, 1956 is required.

LISTING OF SHARES

Your company's shares are listed on the Stock Exchange, Mumbai and the listing fee for the financial year 2002-2003 has been paid. The Shares of the Company have not been traded for more than Ten Years at the Stock Exchange, Mumbai, in view of which your directors had approached the Stock Exchange, Mumbai to delist your company's equity shares, in order to cut down the time and money being involved in complying with the listing formalities without any benefit to the investors/shareholders. The Delisting of shares were not permitted by the Stock Exchange, Mumbai whereas your company was also asked to file the Listing Application for listing of 1461210 Equity Shares allotted on account of amalgamation in the year 2000. As per the directions, the Company has filed application for listing of its 1461210 equity shares for which Listing approval is awaited.

GENERAL:

The notes forming part of the Accounts being self explanatory, the comments made by the auditors in their report are not being dealt with separately.

ACKNOWLEDGEMENT

The Directors of the company wish to place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the company.

For and on behalf of the Board,

Place : New Delhi

Dated : 23-08-2002


Sat Paul Nijhawan

Chairman.

P. S. DUA
B.Com., PGDBM, ACS

P. S. DUA & ASSOCIATES
COMPANY SECRETARIES

COMPLIANCE CERTIFICATE

Registration no. of Company: 016-23058

Nominal Capital: 2,00,00,000

To

The Members,
M/s Kovalam Investment & Trading Company Limited.
Ludhiana.

We have examined the registers, records, Books and papers of M/s. Kovalam Investment & Trading Company Limited, Ludhiana. As required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also provisions contained in the Memorandum and the Articles of the Association of the Company for the financial year ended on 31st March, 2002, in our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and the agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director Central Government, Company Law Board or other authorities within the prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met nine times on 04/04/2001, 30/04/2001, 31/07/2001, 27/08/2001, 21/09/2001, 13/10/2001, 31/10/2001, 31/01/2002, 25/03/2002 in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minute Book and signed. There was no resolution passed by the circular during the financial year.
5. The Company has closed its Register of members from 18/09/2001 to 20/09/2001 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting in respect of the financial year ending on 31st March, 2001 of the company was held on 20/09/2001 & the business transacted was properly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary General meeting was held during the financial year.
8. The Company has not advanced any loans its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.

