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M. J. and Engineers Limited

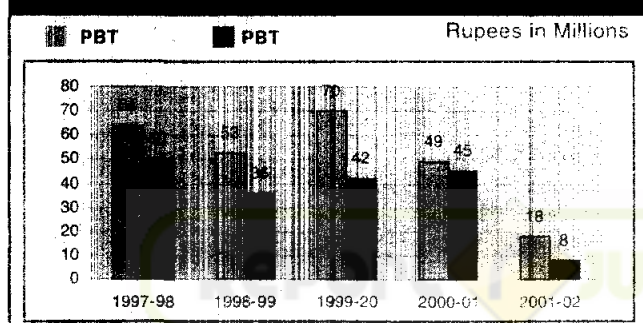
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16th Annual Report 2001-2002

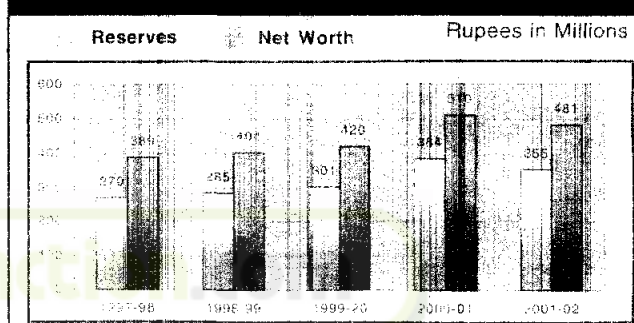
FIVE YEAR HIGHLIGHTS

	2001 - 2002	2000 - 2001	1999 - 2000	1998 - 1999	1997 - 1998
I. CAPITAL ACCOUNTS(Rupees in Millions)					
A. Share Capital	126	126	119	119	119
B. Reserves	355	384	301	285	270
C. Net Worth (A+B)	481	510	420	404	389
D. Borrowings	334	201	132	123	56
E. Capital Employed (C+D)	815	711	552	527	445
F. Gross Block	319	337	196	182	192
G. Net Block	198	251	141	144	170
H. Debt - Equity Ratio (D/C)	0.69:1	0.39:1	0.31:1	0.3:1	0.1:1
II. REVENUE ACCOUNTS(Rupees in Millions)					
A. Gross Revenue	744	669	570	483	660
B. Profit before Taxes (PBT)	18	49	70	53	64
PBT as % of Gross Revenue %	2.4	7.3	12.3	11.0	9.7
C. Profit after Taxes (PAT)	8	45	42	36	50
PAT as % of Gross Revenue %	1.1	6.7	7.4	7.5	7.5
D. Return on Shareholders' Funds %	1.7	8.7	10.0	8.9	12.8
III. EQUITY SHAREHOLDERS' EARNINGS					
A. Equity Dividend (Rupees in Millions)	-	24	24	18	20
B. Earnings per Equity Share Rs.	1.01	3.42	3.48	3.00	4.20
C. Dividend per Equity Share Rs.	-	2.00	2.00	1.50	2.00
D. Networth per Equity Share Rs.	38.27	40.50	35.30	34.00	32.70

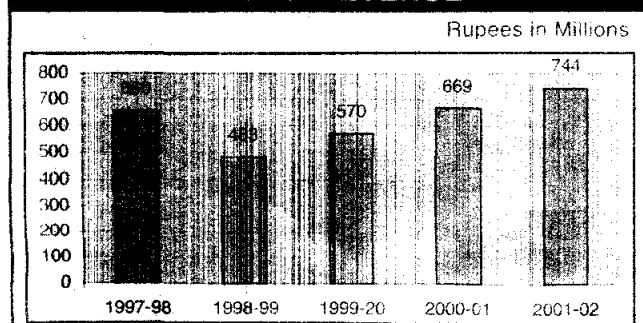
PROFIT



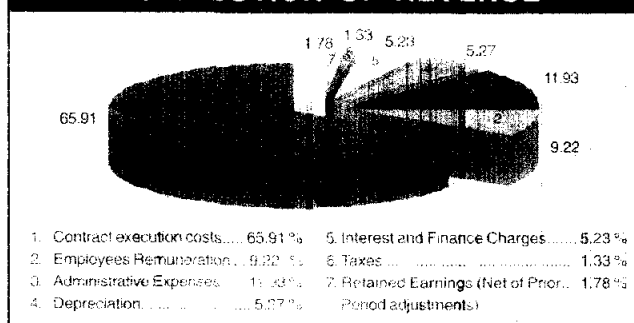
RESERVES & NETWORTH



GROSS REVENUE



DISTRIBUTION OF REVENUE





BOARD OF DIRECTORS

Rajesh V. Shah, *Chairman*
 Niraj Bajaj
 D. S. Mulla
 Prakash V. Mehta
 T. S. Anand
 F. C. Kohli
 K. P. Jotwani, *Executive Director*

COMPANY SECRETARY

A. P. K. Chettiar

AUDITORS

Dalal & Shah, Chartered Accountants

SOLICITORS AND ADVOCATES

Malvi Ranchoddas & Co.

BANKERS

ABN Amro Bank N. V.
 Allahabad Bank
 HDFC Bank Ltd.
 ICICI Bank Ltd.
 Indian Overseas Bank
 State Bank of India
 UTI Bank Ltd.

REGISTERED OFFICE

Lal Bahadur Shastri Marg, Kurla, Mumbai - 400 070.

REGISTRARS AND TRANSFER AGENTS

Dynamic Superways and Exports Limited
 Rainbow Palace, I. C. Colony Cross Road No. 5,
 I. C. Colony, Borivli (W), Mumbai 400 103.

ANNUAL GENERAL MEETING

on Tuesday,
 17th September, 2002
 at 3.30 p.m.
 at Kamalnayan Bajaj Hall,
 Bajaj Bhavan, Jamnalal Bajaj Marg,
 226, Nariman Point, Mumbai 400 021.

A Request :

As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copy to the meeting.

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Mukand Engineers Limited

NOTICE

To the Members,

NOTICE is hereby given that SIXTEENTH ANNUAL GENERAL MEETING of the Members of MUKAND ENGINEERS LIMITED will be held at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021 on Tuesday, the 17th September 2002 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March 2002 and Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri D. S. Mulla, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

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 Shri T. S. Anand, retiring at this Annual General Meeting having been appointed in the casual vacancy caused by the resignation of Shri S. K. Ahluwalia, being eligible and offering himself for reappointment and in respect of whom the Company has received a notice in writing from a member under the provision of Section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed a Director of the Company."

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

"RESOLVED that pursuant to Sections 198, 269, 387 and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the Company hereby appoints Shri K. P. Jotwani, Director, as the Manager of the Company, as defined in Section 2(24) of the Companies Act, 1956, for a period of five years with effect from 1st June 2002 upon the terms and subject to the conditions as set out in the Agreement between the Company and Shri K. P. Jotwani with further liberty to the Directors from time to time, to alter and vary the said terms and conditions in such manner as may be agreed upon between the Directors and Shri K. P. Jotwani in the best interests of the Company subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time.

RESOLVED FURTHER that Shri K. P. Jotwani shall perform such functions within the meaning of Section 2(24) of the Companies Act, 1956 subject to the superintendence, control and direction of the Board of Directors.

RESOLVED FURTHER that for the administrative convenience the designation of Shri K. P. Jotwani will be "Executive Director".

By Order of the Board

Mumbai
Dated : June 26, 2002

A. P. K. CHETTIAR
Company Secretary

NOTES FOR MEMBERS' ATTENTION

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE 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 NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, is annexed hereto.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 14th August 2002 to Saturday, 31st August 2002, both days inclusive.

4. The amount of unclaimed dividends for the financial year ended 31st March, 1994 and previous years declared by the Company have been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956. Members who have not encashed the dividend warrants for the aforesaid years are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.

Dividend remaining unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund. Members who have so far not encashed their Dividend Warrant(s) for the financial year ended 31st March 1995 or any subsequent years are advised to submit their claim to the Company immediately quoting their folio numbers.

5. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name, etc. to their Depository Participant (DP). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the members.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment/re-appointment at the Annual General Meeting, is contained in the Explanatory statement for item of Special Business and is separately annexed hereto for item of Ordinary Business.

I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**ITEM NO. 4**

The Board of Directors of the Company had appointed Shri T. S. Anand at their meeting held on 27th June 2001 w.e.f. 27th June 2001 to fill in the casual vacancy caused by resignation of Shri S. K. Ahluwalia, a Director liable to retire by rotation. Under Section 262 of the Companies Act, 1956, Shri T. S. Anand holds office only till the date of the forthcoming Annual General Meeting.

A notice has been received from a member as required under Section 257 of the Companies Act, 1956 proposing Shri T. S. Anand as a candidate for the office of Director.

Shri T. S. Anand, a graduate of science and is the IA&AS of 1959 batch. He has worked in senior capacities in Accountant General's Office and the Comptroller of Audit General's Office wherein he has coordinated with Financial Committees of Parliament and of various States. He has worked with Indian Oil Corporation Ltd. in various capacities holding charge of Finance Director; and with Mukand Ltd., wherein he held different Divisional charges, one of them being Management Audit. He is also professionally associated as a member and was Director of the Institute of Internal Auditors, Florida for 4 years. He was also the first President of Institute of Internal Auditors, India and has contributed many technical papers on audit, finance, role of management audit and internal audit. He is Director in the following other Companies in India.

Stainless India Ltd. (Whole Time) and Bombay Forgings Ltd.;

The Board considers that association of Shri T. S. Anand would be of immense benefit to the Company and it is desirable for the Company to continue to avail services of Shri T. S. Anand as a Director. Accordingly the Board recommends this Resolution for approval of the members.

Except Shri T. S. Anand, none of the Directors of the Company is in any way concerned or interested in the Resolution.

**ITEM NO. 5**

The Board of Directors of the Company at their meeting held on 21st May, 2002 have, subject to the approval of the Members appointed Shri K. P. Jotwani, Director as the Manager of the Company effective 1st June 2002 for a period of 5 years. Shri Jotwani will be paid remuneration as detailed below. Liberty is also reserved to alter/vary the said terms and conditions in conformity with the requirements of Schedule XIII of the Companies Act, 1956 or any amendments thereto.

Shri Jotwani, aged 59 years is a B. E. (Mech.) from M. S. University, Baroda. He joined Mukand Ltd. in the year 1966 as a Management Trainee and has held various positions in Mukand Ltd. Prior to joining the Company, he was incharge of Machine Building Division, and was designated as Vice - President (Machine Building) of Mukand Ltd.

Shri Jotwani has been associated with the Company since 1st February, 1997 as the Chief Executive of the Company and the Board of Directors at its meeting held on 29th June, 1998 had appointed him as the Chief Executive and Manager of the Company. Since 1st February, 2000, he is on the Board as Director of the Company. He resigned on 28th January, 2000 to join Mukand Ltd. to head its Machine Building Division.

Shri Jotwani, the Manager of the Company will be entrusted with substantial powers of the Management and will perform such functions as may, from time to time be decided by the Board of Directors.

The draft agreement between the Company and Shri Jotwani is available for inspection at the Registered office of the Company between 10.00 a.m. and 12.30 p.m. on all working days of the Company up to and including the day of the Meeting. The draft Agreement, *inter alia*, contains the following terms and conditions :

- Period of Agreement : 5 years effective from 1st June 2002.
- a) Basic Salary : Rs. 14,800/- per month.
 - b) Dearness Allowance : Rs. 5,900/- per month. Termed as Compensatory allowance that is variable as per the scheme prevailing in the Company.
 - c) House Rent Allowance : 50% of Basic Salary.
 - d) Special Allowance : Rs. 13,750/- per month to be reviewed at the discretion of the Board of Directors of the Company.
 - e) Personal Allowance : Rs. 9,950/- per month to be reviewed at the discretion of the Board of Directors of the Company.
 - f) Provision of one Company Car as per the scheme prevailing in the Company and reimbursement of expenses towards services of a driver as per the scheme prevailing in the Company.
 - g) Provision of one Company maintained Telephone at residence.
 - h) Leave Travel Assistance: For self and family once in a year incurred in accordance with the Rules specified by the Company.
 - i) Medical Reimbursement: For self and family in accordance with the rules specified by the Company.
 - j) Reimbursement of expenses towards (i) Attire/Uniform (ii) Annual Subscription for Credit Card (iii) Hostel /Tuition fee in respect of one child (iv) House/ furniture repairs (v) Soft Furnishing (vi) Books and Periodicals (vii) Subscription to club memberships (viii) Gas, Electricity, etc, as per the scheme prevailing in the Company which provides for overall annual limits for the perquisites (h), (i) & (j).
 - k) Provident fund: As per the scheme prevailing in the Company.

- l) Superannuation fund: As per the scheme prevailing in the Company.
- m) Gratuity: As per the scheme prevailing in the Company.
- n) Provision of furniture on hire as per the scheme prevailing in the Company, replaceable every five years in accordance with the rules of the Company.
- o) Annual Bonus as declared for other senior executives of the Company.
- p) Leave with full pay as per the rules of the Company, encashment of unavailed leave being allowed at the end of the tenure.
- q) The Hospitalisation and Medical Insurance and Personal Accident Insurance Policy in accordance with the scheme applicable to the Senior Executives.
- r) Reimbursement of expenses incurred in respect of his official duties including travelling and entertainment expenses.

Minimum Remuneration

In the absence or inadequacy of profits in any financial year, Shri K. P. Jotwani may be paid remuneration by way of salary, perquisites and other allowances not exceeding ceiling laid down in this behalf in Schedule XIII to the Act including amendments made thereto from time to time.

Transfer of balance of perquisites

The balance of perquisites as listed at (h) to (p) and benefits including encashment/available of leave, that is to say casual leave, sick leave and privilege leave as available or remaining unutilised in Mukand Ltd. as at the close of May 31, 2002 shall be available to Shri K. P. Jotwani, as the opening balance in the relevant account as the Company has taken over the liabilities in this behalf.

Memorandum of Interest

Except Shri K. P. Jotwani, none of the Directors of the Company is, in any way concerned or interested in the Resolution.

This Resolution is commended for the approval of the Members.

This may be treated as abstract of the terms and conditions governing the appointment of Shri K. P. Jotwani, as the Manager of the Company, pursuant to Section 302 of the Companies Act 1956.

II. DETAILS OF SHRI D.S. MULLA AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES.

Shri D. S. Mulla, B. Sc. Engineering (London University) is a Chartered Engineer, UK, and a Fellow of the Institute of Engineers of India. He has been a Director of the Company since August, 1992. He has extensive industry experience and has been a Consulting Engineer and Technical Advisor to a number of machine tools and other engineering undertakings. He has also served as a Consultant on the advisory committees of various banks and financial institutions and on government bodies and panels. He is Director in and Member of the Committees of Board of Directors of the following other Companies in India.

Director - Bajaj Auto Ltd.; Balkrishna Industries Ltd.; Bright Brothers Ltd.; Hindustan Hardy Spicer Ltd.; Mukand Ltd.; Uni Abex Alloy Products Ltd.; XLO India Ltd.

Chairman/Member of Committee - Bajaj Auto Ltd. Chairman of Audit Committee, Grievance Committee and Member of Remuneration Committee; Mukand Ltd. - Chairman of Audit Committee, Grievance Committee and Member of Remuneration Committee; Balkrishna Industries Ltd. - Member of Audit Committee; Bright Brothers Ltd. - Member of Audit Committee; Uni Abex Alloy Products Ltd. - Member of Audit Committee;

By Order of the Board

Mumbai
Dated : June 26, 2002

A. P. K. CHETTIAR
Company Secretary

DIRECTORS' REPORT

TO THE MEMBERS,

1. Your Directors have pleasure in presenting their Sixteenth Annual Report and the audited Statement of Accounts of the Company for the year ended 31st March 2002.

2. Financial Results

	(Rs. in Millions)	
	Current Year	Previous Year
Profit for the year before tax	18.15	48.85
Less: Provision for tax	9.87	4.33
Profit after tax	8.28	44.52
Less: Prior period adjustments	0.56	2.87
Add: Tax provision no longer required	4.94	—
Add: Balance brought forward from previous year	30.66	30.88
Balance available for appropriation	43.32	72.53
Appropriations:		
To General Reserve	—	15.00
To Proposed Dividend	—	24.39
To Tax on Proposed Dividend	—	2.48
Balance carried to Balance Sheet	43.32	30.66

3. Dividend

To conserve the available resources of the Company, the Directors do not recommend payment of dividend on the equity shares.

4. Operations

- 4.1. The income from operations and other income during the year was Rs.744.46 million compared to Rs.668.83 million in the previous year. Profit for the year under review is Rs.8.28 million as compared to Rs.44.52 million in the previous year.
- 4.2. The Company completed the prestigious order received from NALCO for the Civil and Structural work at their plant at Angul, Orissa. The Civil work projects under execution include orders from National Thermal Power Corporation, Power Grid Corporation of India Ltd., GRIDCO, Nagpur Municipal Corporation, etc. The Company is also executing turnkey project of green anode plant of NALCO, at Angul. For a number of existing projects, as the work progressed during the year, the scope of work increased. The Mechanical and Structural work order includes projects of NALCO at Angul, Thermal Power Project of BHEL in Andhra Pradesh.
- 4.3. During the year under review, the Company concentrated on the orders giving high contribution and on account of this the Company could not get any major order except from Indian Oil Corporation of India Ltd., for its Mathura Refinery. The general economic conditions and political uncertainty has also affected the order bagging efforts of the Company. The Company expects the revival of the present difficult situation.

- 4.4. The Infotech Division of the Company had to bear the brunt of the melt down of the I.T. Industry. The training business of the Company suffered. The Company is now concentrating on providing high value end training on Mainframe in partnership with IBM. The Company is also concentrating on ERP solutions for which it has done substantial work at the Machine Building Division, Steel plant and Road Construction Division of Mukand Limited.

- 4.5. With Government taking initiative for revival of economy and political uncertainty phasing out, the Company expects that Petrochemical Companies will start inviting tenders. Nuclear Power Corporation has got ambitious plan to meet the deficit in the generation of the electricity faced by various States. The Company expects good order from Power generation industry. It is also expected that many Power Plants may go for refurbishing and Company expects good work.

5. Quality Management

The Company's Head Office and various project sites are accredited with ISO 9002 Certification by Bureau Veritas Quality International, Belgium (BVQI).

6. Fixed Deposits

The Company held Rs.113.5 million as Public deposits as of 31st March 2002, out of which, deposits aggregating Rs.0.29 million have matured but remain unclaimed as on that date.

7. Other Information

- 7.1 As the Company does not own an undertaking where manufacturing operations are carried out, the information to be furnished under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not applicable.
- 7.2 During the year under review the foreign exchange earnings was Rs.2,810,260/- and outgo was Rs.80,524/- as compared to Rs.580,172/- and Rs.9,406,260/- respectively, in the previous year.
- 7.3 The Information required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is annexed.

8. Directors' Responsibility Statement

As required by Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed ;
- (ii) appropriate accounting policies have been selected and applied consistently, and have 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 as at 31st March 2002 and of the profit of the Company for the year ended 31st March 2002 ;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- (iv) the annual accounts have been prepared on a going concern basis.

9. Corporate Governance

Pursuant to Clause 49 of the listing agreement, a report on Corporate Governance, along with Auditors' certificate regarding compliance of conditions of corporate governance and Management Discussion and Analysis is separately given in this Report.

10. Directors

10.1 The President of India has conferred "Padmabhushan" upon Shri F. C. Kohli, Director of the Company. The Directors congratulate Shri F. C. Kohli on behalf of the Shareholders as well as on their own behalf for the well-deserved honour in appreciation of the services rendered by him to the Nation and Industry.

10.2 Shri D. S. Mulla and Shri T. S. Anand retire by rotation and are eligible for re-appointment.

Shri T. S. Anand has been appointed as the Director of the Company in the casual vacancy created by the resignation of Shri S. K. Ahluwalia. He holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received a notice under Section 257 of the Companies Act, 1956, proposing his appointment as a Director, subject to retirement by rotation.

10.3 Shri D. S. Mehta, resigned as the Director of the Company. The Board places on record its acknowledgement of Shri D.S.Mehta's contribution to the deliberations of the Board.

10.4 The Board appointed subject to the approval of the Shareholders at the ensuing Annual General Meeting, Shri K. P. Jotwani, Director as "Manager of the Company" and designated him "Executive Director" with effect from June 1, 2002 in place of Shri R. Sankaran, Chief Executive and Manager of the Company, who has resigned from the aforesaid date.

11. Auditors

Messrs. Dalal & Shah, Chartered Accountants, Auditors of the Company retire and are eligible for re-appointment. The Shareholders are requested to appoint Auditors for the current year and fix their remuneration.

12. General

The Directors wish to place on record their deep sense of appreciation for the committed service of employees of the Company for building up a successful track record.

The Directors would also like to express their grateful appreciation for the assistance and co-operation received from the customers, depositors, bankers and business partners during the year.

The Directors thank the Shareholders for their continued confidence and trust placed by them with the Company.

13. The notes referred to in the Auditors' Report are self-explanatory.

For and on behalf of the Board of Directors

Place : Mumbai,
Date : 26th June 2002.

Rajesh V. Shah
Chairman

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2002.

Sr. Name no.	Age (Years)	Designation & Nature of Duties	Qualifications	Experience (Years)	Remuneration Gross Rs.	Received Net Rs.	Date of Commencement Employment	Last employment held Designation - Period for which post of held
1 Shah Jailesh	41	Chief Executive- Strategic Business Unit (Education Services)	B.Com., P.G.D.C.M., M.B.A.	20	920,795	687,313	12/10/00	Majestic Software Limited Vice President (Strategic Planning) (8 Months)

Notes :

- Gross Remuneration include Salary, Compensatory Allowance, Special Allowance, Personal Allowance, Bonus, Contribution to Provident and Superannuation Funds, House Rent Allowance, Medical and Leave Travel Benefits, Taxable value of Perquisites, etc., but excludes contribution to Gratuity fund.
- Net Remuneration represents gross remuneration as above less taxes, contribution to Provident and Superannuation Funds.
- The above appointment is contractual.
- The above employee is not related to any Director of the Company.

*Employed for a part of the financial period under review and in receipt of remuneration not less than Rs. 100,000/- per month.

REPORT ON CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement with Stock Exchange)

1. Company's Philosophy :

The Company believes in fair dealings, transparency, professionalism and code of ethics, which are the basic principles of Corporate Governance and would constantly endeavour to improve on these aspects. It believes in adding value to its shareholders, employees, customers, suppliers and to the community at large.

2. Board of Directors :

The Board consists of eight directors including the non-executive Chairman. All these eight directors were non-executive independent directors. However, the Board at its meeting held on May 21, 2002 appointed Shri K. P. Jotwani, Director as "Manager of the Company" and designated him as "Executive Director" with effect from June 1, 2002. The Company did not have any pecuniary relation or transaction with non-executive directors during the year under review.

3. Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting :

During the year, six Board Meetings were held on May 22, 2001, June 27, 2001, July 31, 2001, September 20, 2001, October 31, 2001 and January 30, 2002. The Board was presented with the relevant and necessary information. None of the directors is a member of more than ten committees or acting as Chairman of more than five committees across all companies in which he is a director. The attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorships is given herein below :

Name	Category	Attendance Particulars	Number of outside directorships in public limited companies	No. of Membership (M)/ Chairmanship (C) in other Board Committees(s)
		Board Meetings	Last AGM	
Shri Rajesh V. Shah	C, NED	6	Yes	13
Shri Niraj Bajaj	NED	4	Yes	14
Shri D. S. Mulla	NED	6	Yes	7
Shri Dhirajlal S. Mehta	NED	1	No	9
Shri Prakash V. Mehta	NED	4	No	9
Shri T. S. Anand	NED	5	Yes	2
Shri F. C. Kohli	NED	3	Yes	10
Shri K. P. Jotwani	NED/ED**	3	No	1

C: Chairman, ED: Executive Director, NED: Non-Executive Director. * Resigned with effect from June 26, 2002. **ED with effect from June 1, 2002.

4. Audit Committee :

The Audit Committee consisted of Shri D. S. Mulla, Chairman, Shri D. S. Mehta, and Shri Prakash V. Mehta. Shri D. S. Mehta has since resigned w.e.f. March 18, 2002 and Shri T. S. Anand has been appointed in his place. All of whom are independent directors. Shri T. S. Anand has a strong financial and accounting background. Terms of Reference of the Audit committee specified by the Board are as contained in Clause 49 of the Listing Agreement.

During the year under review, the Audit Committee met three times. These Meetings were held on June 25, 2001, October 31, 2001 and January 30, 2002. These Meetings were also attended by the Statutory Auditors of the Company, Internal Auditors, S/Shri Rajesh V. Shah, Niraj Bajaj, Directors, Jagjeet Singh, then Financial Controller and Rohit M. Bhatt, Financial Advisor. The Company Secretary acts as Secretary to the Audit Committee. Apart from considering un-audited and/or audited financial results for the relevant quarter, half year and the year, before adoption/approval by the Board, the Committee focused its attention on other matters which *inter-alia* included Accounting Policy and Finalisation of Accounts, Management Information System, Sundry Debtors Management, Inter Corporate Loans, Role of Internal Auditors and other areas impacting the overall performance of the Company.

The attendance at the Audit Committee Meetings during the year is given herein below:

Name	Category	Attendance Particulars	Particulars
		Audit Committee Meetings	Last AGM
Shri D. S. Mulla	C, NED	3	Yes
Shri Dhirajlal S. Mehta	NED	1	No
Shri Prakash V. Mehta	NED	3	No
Shri T. S. Anand	NED	1	Yes

C: Chairman, NED: Non-Executive Director.

5. Remuneration Committee & Policy :

The Company has not constituted a Remuneration Committee. The decisions regarding remuneration of executive and non-executive directors are taken by the entire Board subject to such approvals from the shareholders. The Company does not pay any remuneration to the non-executive directors except payment of sitting fees for attending Board/ Committee meetings.

The Company had no executive directors during the just concluded financial year as on 31.3.2002. However, the Board at its meeting held on May 21, 2002 appointed Shri K. P. Jotwani, Director as "Manager of the Company" and designated him as "Executive Director" w.e.f. June 1, 2002, subject to approval of the shareholders.

The Company has not issued stock options to any of its directors.

6. Shareholders'/Investors' Grievance Committee :

The Board has formed a Shareholders'/Investors' Grievance Committee consisting of S/Shri Rajesh V. Shah, Niraj Bajaj and K. P. Jotwani. S/Shri Rajesh V. Shah and Niraj Bajaj are independent directors, while Shri K. P. Jotwani has become an Executive Director w.e.f. June 1, 2002. The first meeting of the Committee was held on June 15, 2002 which was attended by all the members.

* The functions of Investors' Grievance Committee are to review and redress Shareholders'/Investors' query/ grievance/complaint on matters relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of interest warrants, non-receipt of deposit receipts etc. and to approve transfers,



transmissions, consolidation and splitting of share certificates and to authorise officials to make necessary endorsements on the share certificates.

7. Annual General Meetings :

- (a) The last three Annual General Meetings were held at Kamalnayan Bajaj Hall, Bajaj Bhavan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 on the following dates and time :

Financial Year	Date	Time
2000-2001	20/9/2001	3. 30 p. m.
1999-2000	11/9/2000	3. 30 p. m.
1998-1999	16/9/1999	3. 30 p. m.

There was no requirement for seeking approval of the shareholders by a postal ballot in the above meetings.

(b) Postal Ballot

As per Section 192A of the Companies Act, 1956 (Act) read with the Rules framed thereunder, the Company completed the despatch of postal ballot papers to its shareholders on June 14, 2002 for considering and approving the special resolutions i) under Section 149(2A) of the Companies Act, 1956 to commence and carry on new business, ii) under Section 372A of the Companies Act, 1956 for undertaking an obligation as a surety and grant loans in excess of the limit prescribed under the said section.

The results of the above postal ballot will be announced on July 25, 2002.

8. Disclosures :

There were no transactions by the Company of material significance with its promoters, directors or Companies or the management or their relatives during the year, which may have potential conflict with interest of the Company, at large. The details of transaction with related parties are disclosed in the accounts. There was no default in compliance on any matters related to capital markets. Consequently, during the last three years neither any penalties were imposed nor strictures passed on the Company by stock exchanges, SEBI or any statutory authority.

9. Means of Communication :

- a. Quarterly/half yearly and yearly unaudited/audited results are published in english and local language newspapers as required under the Listing Agreement. All financial and other vital information are promptly communicated to the stock exchanges on which Company's shares are listed.
- b. Management discussion and analysis is furnished as forming part of the Annual Report.

10. General Information for Shareholders :

a. Annual General Meeting

Date and Time:

Tuesday, 17th September 2002 at 3.30 p.m.

Venue:

Kamalnayan Bajaj Hall, Bajaj Bhavan,
Jamnalal Bajaj Marg, 226, Nariman Point,
Mumbai 400 021.

b. Financial reporting for the quarter ending :

- June 30, 2002 : End July 2002
 - September 30, 2002 : End October 2002
 - December 31, 2002 : End January 2003
 - for the year ending : End June 2003
- March 31, 2003

c. Dates of Book Closure

August 14, 2002 to August 31, 2002 (Both days inclusive)

d. Listing Details

The Company's Shares are listed on the Stock Exchanges, at Mumbai (The Stock Exchange Mumbai), Delhi and on the National Stock Exchange.

e. Stock Code

1. The Stock Exchange, Mumbai (BSE) 32097
2. National Stock Exchange (NSE) Mukand Engg.
3. ISIN INE022B01014

f. Stock Market Data

Month	The Stock Exchange, Mumbai (BSE) (in Rs.)			National Stock Exchange (NSE) (in Rs.)		
	Month's High Price	Month's Low Price	Total Volume of Shares Transacted	Month's High Price	Month's Low Price	Total Volume of Shares Transacted
Apr-01	24.00	16.00	26993	25.20	14.00	25247
May-01	25.60	21.00	1064187	26.90	20.15	9302
June-01	24.10	18.00	1058864	24.50	17.00	5041
July-01	23.00	18.00	1051185	24.40	17.00	10611
Aug-01	24.30	18.75	14146	26.30	19.05	13958
Sep-01	20.00	13.60	20204	21.00	9.25	929144
Oct-01	31.20	16.75	18416	30.00	16.50	55768
Nov-01	26.95	20.60	12526	27.00	21.00	77189
Dec-01	23.45	16.65	17371	22.00	14.00	526215
Jan-02	27.30	16.00	59433	29.00	15.20	170504
Feb-02	18.85	14.50	69917	18.20	15.15	66752
Mar-02	17.90	14.05	45032	16.75	14.25	56258

g. Registrar and Transfer Agents

(For share transfers and other communication relating to share certificates, dividend and change of address)

Dynamic Superways and Exports Limited,
Rainbow Palace, I. C. Colony Cross Road No.5,
I. C. Colony, Borivli, Mumbai - 400 103.
Tel : (022) 8937793/8952148/8918257
Fax : (022) 8944337
E-Mail : dynaexp@roitanet.com

h. Share Transfer System

Transfer Period (in days)	2001-2002			2000-2001		
	No. of transfers	No. of shares	%	No. of transfers	No. of shares	%
1-15	106	34633	20.16	1656	389963	15.43
16-20	246	51304	29.87	1476	313784	12.41
21-30	470	84208	49.02	11058	1790359	70.82
Above 30*	60	1623	0.95	545	33836	1.34
Total	882	171768	100	14735	2527942	100

*Due to Seller Notice sent to transferor