

ORIENTAL VENEER PRODUCTS LTD.



11th Annual Report 2001/2002

REGISTERED OFFICE

At Post : Aghai, Via Kalyan (R.S.)
Dist Thane - 421 301

ORIENTAL VENEER PRODUCTS LTD.

BOARD OF DIRECTORS

MR. VALI N. MITHIBORWALA	-	Managing Director
MR. SALEH N. MITHIBORWALA	-	Director
MR. KARIM N. MITHIBORWALA	-	Director

REGISTERED OFFICE & WORKS

At Post : Aghai, Via Kalyan Rly. Stn., Dist. Thane, Pin - 421 301.

BANKERS

DEVELOPMENT CREDIT BANK LTD.

(Nariman Point Branch)
6, Tulsiani Chambers, Gr. Flr., Mumbai - 21.

AUDITORS

M/S. ANIL BANSAL & ASSOCIATES

Chartered Accountants
306, Kedia Chambers, S. V. Road, Malad (W),
Mumbai - 400 064.



M/S. N. B. SHETTY & COMPANY

Chartered Accountants
Western India House, 14/2, P. M. Road, Fort,
Mumbai - 400 001.

NOTE

Members are requested to bring their copy of the **ANNUAL REPORT** alongwith them at the **ANNUAL GENERAL MEETING** as no separate copies will be distributed.

ORIENTAL VENEER PRODUCTS LTD.**NOTICE**

its Corporate Office.

FINANCIAL HIGHLIGHTS :

(Amount Rs. In Lacs)

Notice is hereby given that 11th Annual General Meeting of the Members of M/s. ORIENTAL VENEER PRODUCTS LIMITED will be held at the Registered Office of the Company at Post : Aghai, Via Kalyan (Rly. Stn.), District : Thane : 421 301, on Friday, September 20, 2002 at 3.00 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive , consider and adopt the Balance Sheet as at March 31, 2002. Profit and Loss Accounts as on that date and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Saleh N. Mithiborwala who retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint Joint Statutory Auditors and to fix their remuneration.

VALI N. MITHIBORWALA
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Date : 27/06/2002

Registered Office :

Post : Aghai, Via Kalyan (Rly. Stn),
District : Thane - 421 301.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.

The Register of Members and Share Transfer Books of the Company will remain closed from Friday , September 13, 2002 to Friday, September 20, 2002 (both days inclusive).

2. Members are requested to promptly notify any changes in their addresses to the Company at

3. All documents referred to in Notice are open for inspection at the Registered Office of the Company during Office hours on all days except Saturday, Sunday and public holidays between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.

4. For convenience of the Members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of Meeting. The proxy Member should mark on the attendance slip as 'proxy'.

5. IF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, DIRECTOR'S REPORT & AUDITORS' REPORT, THE SAME SHOULD BE FORWARDED TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE MEETING SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS' SATISFACTION.

6. Members are requested to bring their copies of the reports to Annual General Meeting.

7. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with share certificates to the Company.

8. In order to exercise strict control over the transfer documents, Members are requested to send the transfer documents/ correspondence, if any, directly to the Corporate Office of the Company at :

ORIENTAL VENEER PRODUCTS LIMITED
24-A, MOHAMMADI LAKDA BAZAR NO. 1,
MAULANA SHAUKATALI ROAD,
MUMBAI - 400 008.

DIRECTOR'S REPORT

Your Directors have great pleasure in presenting their Eleventh Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2002.

	31st March 2002	31st March 2001
Gross Profit	197.62	212.18
Less : Depreciation	43.19	40.46
Net Profit/(Loss) before Tax	154.43	171.72
Less : Income Tax for earlier year	00.58	01.91
Less : Provision for Tax	29.81	35.65
Less : Deferred Tax	(00.50)	NIL
Net Profit/(Loss) after Tax	124.54	134.16
Transfer to General Reserve	60.00	60.00
Balance Profit/(Loss) carried to Balance Sheet	64.54	74.16

DIVIDEND :

Your Directors have decided to plough back the Profits earned during the year under review for further progress of your Company, hence they are unable to recommend any dividend for the year ended March 31, 2002.

OPERATIONS :

Your Directors are pleased to inform you that the actual sales of the Company for the year under review increased to Rs. 3908.04 Lacs as compared to the actual sales of the corresponding previous year ended March 31, 2001 which were Rs. 3231.62 Lacs.

The increase in sales of the Company marks a healthy growth of approx. 17% over the previous year's sales and which compares well taking into consideration the overall recession that has gripped the industry as a whole and the industry in particular.

Your Directors are constantly striving for increasing and improving the productivity and efficiency of the Company. This has certainly improved the quality of the products manufactured by the Company. Your Directors are confident that in near future the image and goodwill of the Company will improve beyond the present standing which will in turn benefit the Company and its Members.

ORIENTAL VENEER PRODUCTS LTD.**DIRECTORS :**

SICOM Limited withdraw its nominee namely Shri Shyam D. Mahale, who was on the Board of the Company w.e.f. June 26, 2002 and hence Shri Shyam D. Mahale ceased to be the Director of the Company.

Mr. Saleh N. Mithiborwala retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, read with The Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

The information required under Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption is given by way of Annexure.

Particulars regarding foreign exchange earnings and outgo appears in Note No. 15 (vii), (viii) & (ix) in Notes forming Part of the Accounts [Schedule 13] for the year ended March 31, 2002 and forms part of this report.

AUDITORS :

M/s. Anil Bansal & Associates, Chartered Accountants, Mumbai and M/s. N. B. Shetty & Co., Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment as the Joint Statutory Auditors of the Company.

PARTICULARS OF EMPLOYEES :

The Company has no employees of the categories specified under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement (hereinafter referred to as the said Clause), all listed Companies will have to incorporate the provisions of the said Clause before the last date specified in the said Clause and as may be applicable to the respective Companies.

With reference to the same, your Company will have to adhere to the provisions of the said Clause before March 31, 2003. The Board of Directors of your Company is in the process of initialising and implementing the provisions of the said Clause as may be applicable for your Company before March 31, 2003.

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

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under :

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the directors have selected such accounting policies and applied them consistently and made judgments 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 have taken proper and sufficient care of 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 have prepared the annual accounts on a going concern basis.

ACKNOWLEDGMENTS :

The Board of Directors wishes to place on record its sincere appreciation for due co-operation received from the Company's Bankers, Development Credit Bank Limited

The Directors are also thankful to the employees at all levels for their continued support.

VALI N. MITHIBORWALA
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Date : 27/06/2002

ANNEXURE TO DIRECTORS' REPORT

INFORMATION IN TERMS OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

CONSERVATION OF ENERGY :

Sustained Efforts were directed towards Energy saving, Reduction in use of power and other utilities.

TECHNOLOGY ABSORPTION :

The Company has carried out Research and Development in the form of process Innovation and Development of new products.

For and on behalf of Board of Directors

VALI N. MITHIBORWALA
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Date : 27/06/2002

ORIENTAL VENEER PRODUCTS LTD.

AUDITORS REPORT**TO THE SHARE HOLDERS**

We have audited the attached Balance Sheet of ORIENTAL VENEER PRODUCTS LIMITED as at 31st March 2002 and the Profit & Loss Account of the company for the period 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.

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

2. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in items of section 227 (4A) of the Companies Act, 1956, we enclosed in the annexure a statement on the matter specified in paragraph 4 and 3 of the said order.

3. Further to our comments in the annexure referred to in paragraph above :

(a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our Audit.

(b) Proper Books of accounts as required by the law have been kept by the Company so far as it appears from our examination of the books.

(c) The Balance Sheet and Profit & Loss Account dealt with by this Report are in agreement with the Books of account.

(d) In our opinion, the Profit & 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 to the extent they are applicable to the company.

(e) As per the information and explanations given to us, none of the directors of the Company is disqualified from being appointed as a director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

(f) In our opinion and to the best of our information and according to the explanations gives to us, the said financial statements, read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner to required and give true and fair view in conformity with the accounting principles generally accepted in India.

i. In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2002 and

ii. In the case of Profit and Loss Account of the Profit of the Company for the year ended on that date.

For : ANIL BANSAL & ASSOCIATES
Chartered Accountants

For : N. B. SHETTY & CO.
Chartered Accountants

ANIL BANSAL
Proprietor

P. J. SHETTY
Partner

ORIENTAL VENEER PRODUCTS LTD.**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT TO THE MEMBERS OF ORIENTAL VENEER PRODUCTS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2002.**

1. The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets have been physically verified by the management at the reasonable intervals and no material discrepancies were noticed on such verification.
2. Fixed Assets have not been revalued during the year.
3. The Stocks of finished goods, stores, spares and raw materials have been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable and that no material discrepancies have been noticed on such verification as compared to book records.
4. In our opinion, the procedures of physical verification of the stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
5. In our opinion, the discrepancies noticed on physical verification of the stocks, as compared to book records are not materials and have been properly dealt with in the books of accounts.
6. In our opinion, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has accepted loans from companies, firms and others parties listed in the register maintained under section 301 of the Companies Act, 1956, and from Companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956, are prima facie not prejudicial to the interest of the Company.
8. The Company has not granted any loans and secured or unsecured to the Companies, firms or other parties listed in the register maintained under section 301 and/or to the companies under the same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.
9. According to the information and explanations given to us there are adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw-materials including components, plant and machinery, equipment's and other assets and for the sale of goods.
10. According to the information and explanations given to us, the transactions of purchase and sale of goods and materials made in purchase of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956. aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices for such goods and materials or the prices of at which transactions for similar goods have been made with other parties.
11. The Company has a regular procedure for determining the unserviceable of damaged stores, raw-material and finished goods and necessary adjustment for the loss have been made in the accounts.
12. The Company has not accepted any deposits from the public within the meaning of section 58 A of the Companies Act, 1956 and rules framed thereunder during the year.
13. According to the information and explanations given to us, no by products / Scraps is generated in the company.
14. The company did not have any formal internal audit system during the year under consideration.
15. We are informed that the Central Government has not prescribed maintenance of cost records for the Company's products under Section 209(1)(d) of the Companies Act, 1956.
16. According to the information and explanation given to us, the Provident Fund dues have been regularly deposited with the appropriate authorities.
17. According to the information and explanations given to us, there are no undisputed amount payable in respect of Income-Tax, Wealth Tax, Custom-Duty except Excise Duty & Sales Tax which have remained outstanding as at 31st March, 2002 for the period of more than six months from the date they become payable.
18. According to the information and explanations given to us, and the records of the Company examined by us, no personal expenses of employees or directors have been charged to revenue accounts.
19. The company is not a Sick Industrial company within the meaning of clause (o) of sub-section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For : ANIL BANSAL & ASSOCIATES
Chartered Accountants

For : N. B. SHETTY & CO.
Chartered Accountants

Place : Mumbai
Date : 27/06/2002

ANIL BANSAL
Proprietor

P. J. SHETTY
Partner