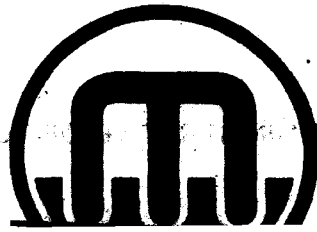


**13th Annual Report
2001 - 2002**



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**MANDSAUR FERRO
ALLOYS LIMITED**

BOARD OF DIRECTORS

SHRI VINOD KUMAR JAIN (Chairman & Managing Director)

SHRI NAVNITDAS PAREKH

SHRI PANKAJ JAIN

SHRI SUNIL PAREKH

BANKERS

DENA BANK, Mandsaur (M.P.)

AUDITORS

C.H. PADLIYA & CO.

Chartered Accountants

INDORE (M.P.)

REGISTERED & ADMINISTRATIVE OFFICE

Village ; Botalganj,

Mhow-Neemuch Road,

Distt. Mandsaur (M.P.)

PLANT

Village ; Botalganj,

Distt. Mandsaur (M.P.)

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MANDSAUR FERRO ALLOYS LIMITED

Notice

Notice is hereby given that the thirteenth Annual General Meeting of the Shareholders of Mandsaur Ferro Alloys Limited will be held on Monday, the 30th September, 2002 at 4.30 p.m. at the Registered Office of the Company at Mhow-Neemuch Road, Botalganj, Distt. Mandsaur - 458 001 (M.P.) to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 and the Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a director in place of Shri Pankaj Jain who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

Registered Office :
Village Botalganj, Mhow-Neemuch Road,
Dist. Mandsaur- 458 001 (M.P.)
Dated : 13th August, 2002

BY ORDER OF THE BOARD
FOR MANDSAUR FERRO ALLOYS LTD.

(V.K. JAIN)
CHAIRMAN AND MANAGING DIRECTOR.

NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a Poll instead of himself and the proxy need not be a member of the Company. Proxy forms in order to be valid and effective, must be deposited at the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
2. Members are requested to notify to the company changes, if any, in their registered address.
3. The Register of Members and Share Transfer Books of the company shall remain closed from Monday the 23rd September, 2002 to Monday the 30th September, 2002 (both days inclusive).

Directors Report

Your Directors have the pleasure in presenting their thirteenth Annual Report together with the Audited Accounts for the year ended 31st March, 2002.

FINANCIAL RESULTS :

	For the Year ended 31.3.2002 (Rs. In Lacs)	For the Year ended 31.3.2001 (Rs. In Lacs)
1. Sales & Other Income	-	2.59
2. Gross Profit before interest Depreciation and Taxes	(-) 4.14	(-) 3.85
3. Interest	0.01	-
4. Depreciation	-	22.67
5. Net Profit before taxes	(-) 4.15	(-) 26.52
6. Net Profit after taxes (Carried to Balance Sheet)	(-) 4.15	(-) 26.52
7. Loss on Auction Sale of Fixed Assets by M.P.E.B.	135.89	-
8. Net Loss for the year	140.04	26.52

The company's plant has remained closed throughout the year. The entire assets of the company including land, building and all moveable and immovable assets had been seized by the M.P. Electricity Board against its dues under dispute. All the Assets have since been auctioned on 25.5.2001 for a consideration of Rs. 45.00 Lacs (Rs. Forty five lacs only). The company has lodged protest against the said auction under advice of its legal advisor and is taking legal action in the matter. As a result of the sale of the company's Assets as mentioned above the company has suffered a great set back. A civil suit has since been filed in the District Court at Mandsaur against the auction sale of the Company's Assets carried out by the M.P. Electricity Board.

DIVIDEND :

In view of the losses and circumstances mentioned above your directors regret their inability to declare any dividend for the year.

PUBLIC DEPOSITS :

The company has neither invited nor accepted any deposits from the public during the year.

DIRECTORS :

Shri Pankaj Jain retires by rotation and is eligible for reappointment.

PARTICULARS OF EMPLOYEES :

No employee was in receipt of remuneration during the year required to be disclosed under section 217 (2A) of the companies Act, 1956.

PARTICULARS U/S 217 (1) (E) OF THE COMPANIES ACT, 1956

The particulars to be disclosed as required U/s 217 (1) (e) of the Companies Act, 1956 read with Disclosure of particulars in the Report of the Board of Directors Rules, 1988 are detailed in annexure to this report.

AUDITORS :

You are requested to appoint auditors and fix their remuneration. The retiring auditors M/s C.H. Padliya & Co. are eligible for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT U/S 217 (2AA) OF THE COMPANIES ACT, 1956

As required under provisions of section 217 (2AA) of the companies act, 1956, your directors have to state: (I) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(II) that the directors had 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 the company at the end of the financial year and the profit or loss of the company for that period.

(III) that the directors had 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 the company and for preventing and detecting fraud and other irregularities.

(IV) that the directors had prepared the annual accounts on a going concern basis.

There being no business activity being carried out by the company corporate governance report is not furnished.

FOR & ON BEHALF OF THE BOARD

PLACE : BOTALGANJ,
DISTT. MANDSAUR (M.P.)

(V.K. JAIN)

DATED : 13TH AUGUST, 2002

(CHAIRMAN & MANAGING DIRECTOR.)

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ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 2001-2002 PARTICULARS U/S 217 (1) (E) OF THE COMPANIES ACT, 1956

(A) CONSERVATION OF ENERGY

(A) ENERGY CONSERVATION MEASURES TAKEN.

The Company plant remained closed throughout the year.

(B) ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.

The company's plant has since been closed.

(C) IMPACT OF MEASURES (A) AND (B) ABOVE FOR REDUCTION OF ENERGY CONSUMPTION AND CONSEQUENT IMPACT ON THE COST OF PRODUCTION OF GOODS.

No production activity during the year.

(D) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION POWER AND FUEL CONSUMPTION

	Current Year 31.03.2001	Previous Year 31.03.2000
1. Electricity		
(a) Purchased Units (in lacs)	Nil	Nil
Total Amount (Rs. in lacs)	Nil	Nil
Rate per Unit (Rs.)	Nil	Nil
(b) Own Generation :		
i) Through Diesel Generator Unit	Nil	Nil
Unit per ltr. of Diesel Oil	Nil	Nil
Cost per Unit	Nil	Nil
ii) Through steam turbine/generator units	Nil	Nil
Units per ltr. of Fuel Oil/Gas	Nil	Nil
Cost per Unit	Nil	Nil
2. Coal		
Quantity (Tonnes)	Nil	Nil
Total Cost	Nil	Nil
Average Rate	Nil	Nil
3. Furnace Oil		
Quantity (K.ltrs)	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil
4. Other Internal Generation		
Quantity	Nil	Nil
Rate/Unit	Nil	Nil
CONSUMPTION PER UNIT OF PRODUCTION		
Product : Ceramic Tiles	Nil	Nil
Electricity (Units Per M. Ton)	Nil	Nil
Kerosene Oil (Litre per M. Ton)	Nil	Nil
Coal	Nil	Nil
Other	Nil	Nil

(B) TECHNOLOGY ABSORPTION

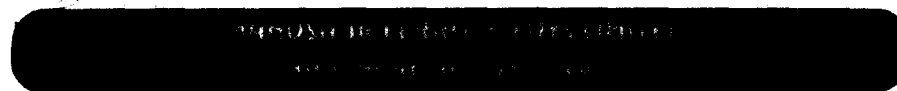
Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company.

The Company has not carried out R&D activity during the year.

2. Benefits derived as a result of the above R&D

Not applicable



3. Future Plan of action. The Company does not have any future plans as at present.

4. Expenditure on R & D

(a) Capital	Nil	Nil
(b) Recurring	Nil	Nil
(c) Total	Nil	Nil
(d) Total R & D Expenditure as a percentage of total turnover.	Nil	Nil

Technology Absorption, Adaptation and Innovation

- | | | |
|--|---|----------------|
| 1. Efforts, in brief, made towards technology absorption, adoption and innovation | Nil | Nil |
| 2. Benefits derived as a result of the above efforts, e.g. product development import substitution etc. | Not applicable | Not applicable |
| 3. In case of imported technology (Imported during the last 5 years reckoning from the financial year.) | The Company has not imported any technology so far. | |
| Following information may be furnished. | | |
| (a) Technology imported | Not applicable | Not applicable |
| (b) Year of import | Not applicable | Not applicable |
| (c) Has technology been fully absorbed | Not applicable | Not applicable |
| (d) If not fully absorbed areas where this has not taken place, reasons therefore and future plans of action | Not applicable | Not applicable |

(C) FOREIGN EXCHANGE EARNING AND OUTGO

(a) Activities relating to exports initiatives taken to increase exports market for product services, and export plans.	Nil	Nil
(b) Total Foreign exchange used and earned.	Nil	Nil

For & on behalf of the Board of Directors

PLACE : Botalganj, Distt. Mandsaur
DATED : 13th August, 2002

(V.K. JAIN)
CHAIRMAN & MANAGING DIRECTOR