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Black Limited Phillips Carbon Black Limited

Report and Accounts

Black Limited **2000 - 2001** Black Limited

Black Limited Phillips Carbon Black Limited

Black Limited Phillips Carbon Black Limited

Black Limited Phillips Carbon Black Limited

Phillips Carbon Black Limited



Phillips Carbon Black Limited

Mr R P Goenka
Chairman Emeritus

Board of Directors

Mr Sanjiv Goenka
Chairman

Mr B M Khaitan

Mr P V Gandhi

Mr Amiya Gooptu

Mr C R Paul

Dr Ram S Tarneja

Mr K S B Sanyal

Mr Paras K Chowdhary

Mr H L Mundra

Mr O P Malhotra

Mr S Sahgal
Managing Director

Secretary

Mr T K Banerjee

Auditors

Price Waterhouse
B3/1 Gillander House
Netaji Subhas Road
Kolkata 700 001

Solicitors

Khaitan & Co.
9 Old Post Office Street
Kolkata 700 001

Registered Office

31 Netaji Subhas Road
Kolkata 700 001

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Phillips Carbon Black Limited**Notice**

NOTICE is hereby given that the Forty-first Annual General Meeting of the members of Phillips Carbon Black Limited will be held in the Williamson Magor Hall (1st Floor) of The Bengal Chamber of Commerce and Industry, 6 Netaji Subhas Road, Kolkata - 700 001 on Wednesday the 20th day of March, 2002 at 10.30 A.M. to transact the following business :

1. To receive, consider and adopt the Profit and Loss Account for the year ended 30th September, 2001, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report.
2. To declare a dividend.
3. To appoint a Director in place of Dr. Ram S. Tarneja who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Amiya Gooptu who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr. K. S. B. Sanyal who retires by rotation and is eligible for re-appointment.
6. To appoint Auditors and to authorise the Board to fix their remuneration.

NOTES :

1. The Register of Members and Share Transfer Books of the Company will remain closed from 15th March to 20th March, 2002 both days inclusive.
2. A member entitled to attend and vote at the meeting may appoint a proxy to attend and, on poll, to vote in his stead. A proxy need not be a member of the Company. Proxy should be lodged with the Company 48 hours before the date of the Meeting.
3. Dividend, if declared will be paid within 5th April, 2002 to those members whose names appear on the Register of Members of the Company as on 14th March, 2002 or to their mandatees.
4. Members are informed that pursuant to Section 205C of the Companies Act, 1956 read with Rules, Investors Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 (IEPF) the Central Government has constituted a fund with effect from 1st October, 2001. The Company by virtue of Clause 3 of the aforesaid Rules has transferred unclaimed application money after allotment of Equity shares and due for refund as well as unpaid matured Fixed Deposits over a period of 7 years i. e. upto 30.09.94 to the credit of IEPF as stated above within 30th October, 2001.

Members are requested to claim the unclaim/unpaid dividends for the financial year 1994-95, from the Company as well as unpaid matured Fixed Deposit within 30.09.2002 failing which the money shall be transferred to IEPF.
5. Members are requested to inform the Company of any change in their addresses immediately so as to enable the Company to despatch dividend warrants and any future communication at their correct addresses.
6. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Share Department enclosing their certificates to enable the Company to consolidate their holdings in one folio.

Registered Office :
31 Netaji Subhas Road
Kolkata - 700 001
Dated : 20th December, 2001

By Order of the Board
T. K. Banerjee
Secretary

Directors' Report

The Directors take pleasure in submitting the report and accounts of Phillips Carbon Black Limited for the year ended 30th September, 2001.

Financial Highlights

Salient features of the Company's financial performance during the year ended 30th September, 2001 are summarised below :

	(Rs. in Lakhs)	
	For the Year ended 30.09.2001	For the Year ended 30.09.2000
Sales Turnover	48,983.45	40,603.53
PBDIT	4,195.35	4,410.03
Gross Profit	1,397.43	1,673.03
Less : Depreciation	929.19	917.70
PBT	468.24	755.33
Provision for Taxation	36.00	85.00
PAT	432.24	670.33
Surplus brought forward	1,156.34	687.60
Transfer from Debenture Redemption Reserve	80.00	80.00
Profit available for Appropriation	1,668.58	1,437.93
Proposed Dividend @ Re. 1 per Equity Share (previous year Re. 1 per Equity Share)	177.53	177.53
Tax on proposed Dividend	18.11	39.06
Transfer to General Reserve	65.00	65.00
Balance carried forward to next year	1,407.94	1,156.34

Performance of the Company

The year under review was difficult one for the economies of countries across the globe and particularly India. The slowdown in the movement of goods and people affected the automobile industry. This in turn dampened the demand for tyres when production recorded a drop of 2.6% – which had its adverse impact on the demand for Carbon Black. Further, international prices of feed stock for Carbon Black went up to an unprecedented level, which alongwith the depreciation of the rupee led to a sharp increase in input costs. The pressure at both ends of the value chain i.e. the customer end and supply side, adversely impacted profit.

Your company's performance, including exports, was also affected by lower volume availability, which led to Customer Segment Rationalisation. The closure of the Cochin factory, due to an accidental release of carbon black smoke, forced the company to face an unexpected environmental problem. The Kerala State Pollution Control Board ordered the closure of the Cochin works on 26th July, 2001. After extensive investments in safety and anti-pollution devices, the production was restored under the directive of Kerala High Court from November, 2001, i.e. after a disruption of over three months.

To mitigate the loss at Cochin, production was stepped up at Durgapur and Baroda plants. As a result, the company was able to maintain overall production volume at the same level as last year. In this difficult scenario, PCBL was able to increase price realisation which along with better customer and grade mix, resulted in the company achieving a top line growth of 20%.

Overall, profit before tax was Rs. 468.24 lakhs. After providing Rs. 36 lakhs for taxation, the Net Profit after tax amounted to Rs. 432.24 lakhs.

Dividend

Your Directors recommend for approval of members at the Annual General Meeting a net dividend of 10%, which will absorb Rs. 177.53 lakhs. The tax on dividend, to be borne by the Company, amounts to Rs. 18.11 lakhs.

Manufacturing

In spite of disruption in production, following the closure of the Cochin plant for over three months, your company's total production level was maintained by maximizing capacity utilization at Durgapur and Baroda. Simultaneously, efforts were made to reduce Operating Expenditure despite an increase in power cost due to purchase of additional power – necessitated by the failure of the Durgapur Captive Power Plant Turbine shaft for a six week period.

Research & Development

Your Company's Research & Development activities during the year was focused on development and approval of grades of Carbon Black used in European and other western markets. Process improvements too were taken up so as to ensure more consistent product quality. Your company continues to enjoy ISO 9001 accreditation.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning & Outgo

A statement giving details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning & Outgo, as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rule 1988, is annexed. This forms an integral part of this Report.

Subsidiary Companies & Investments

In compliance with the requirements of Section 212(2) of the Companies Act, 1956 the Directors' Report along with Balance Sheet & Profit & Loss Account of Transmission Holdings Ltd. (for the year ending 30th April, 2001), South Asia Electricity Holdings Ltd. & PCBL Industrial Finance Ltd. (for the year ended 31st March, 2001), are annexed to this Report.

Public Deposit

Fixed Deposit from Public and Directors, outstanding with the Company as at 30th September, 2001 amounted to Rs.1489.39 lakhs. 281 deposits aggregating Rs. 64.39 lakhs due for repayment on or before 30th September, 2001 were not claimed by depositors. Out of these 103 deposits, totalling Rs. 22.88 lakhs have either been claimed or paid or renewed till the date of this Report.

Phillips Carbon Black Limited

Notes on Accounts

Regarding the Auditors' Comments on year-end shortfall pertaining to certain debtors and advances, the Directors draw your attention to Note 10 in Schedule 16 forming part of the account. The observations made by the auditors should be read together with the notes referred to, which are self explanatory.

Safety & Environment

The closure of the Cochin plant necessitated a sharp and focused attention on the need to harmonise with the environment. Considerable effort was put to improve safety systems aimed at preventing the recurrence of the type of incident which had occurred, as also to install sophisticated control equipment and process controls. Your company is committed to put additional equipment for control and monitoring in place by 30th June, 2002. This job is being carried out.

PCBL's safety record continues to be good with an encouraging reduction in man-days lost due to accidents.

Human Resource

Your Directors would like to express their thanks and appreciation to all employees for their team work, high degree of professionalism and enthusiastic effort in meeting the challenge of changing business environment. With the integration of the Indian economy with the global economy, the human resource policy of the Company is undergoing changes. It is being boosted by intensified training, education and empowerment of employees at all levels. Several programmes aimed at upgrading competency skills and interpersonal development were conducted during the year. PCBL intends to create a culture of knowledge sharing and establish systems that foster performance, transparency and fairness. The industrial relation situation remained cordial at all plants.

Particulars of Employees

The information required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forms part of this report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and the Accounts are being sent to all members without the information pursuant to the provisions of Section 217(2A) of the Companies Act, 1956. A copy of the statement of particulars of employees is available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the AGM. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

Corporate Governance

Recent amendments to the Listing Agreements with Stock Exchanges require the Company's compliance of Corporate Governance norms from the Accounting Year beginning 1st October, 2001. However, as a good corporate citizen, your Company has taken advance steps to ensure that recommendations relating to Corporate Governance are promptly complied with. Corporate Governance is a systematic process by which Companies are directed and controlled to enhance their

wealth generating capacity and maximise the long-term value of shareholders. Your Company has a comprehensive corporate governance policy in order to ensure transparency, fairness and accountability, leading to full disclosure of facts and a framework of ethical business conduct.

Directors' Responsibility Statement

Information as per Section 217(2AA) of the Companies Act, 1956, is given in the Annexure forming part of this report.

Auditors

The auditors, Messrs. Price Waterhouse, retire at the Annual General Meeting and being eligible offer themselves for reappointment.

Directors

Mr. Amiya Gooptu, Mr. K. S. B Sanyal & Dr. Ram S. Tarneja retire by rotation and being eligible, offer themselves for re-election.

Future Outlook

With the Central and State Governments laying increasing emphasis on development of world class road infrastructure, India expects an increase in the movement of goods and passengers by road. This in turn is likely to generate an increase in demand for tyres and Carbon Black. Your company now is well established in international market, is well set to take advantage of the emerging opportunities both within and outside the country. It is ready to meet the future with confidence.

Depository System

In line with the decision of SEBI, delivery of equity shares of your Company in dematerialised form has been made compulsory for all categories of shareholders from 25th June, 2001. Since this move facilitates quick transfers and prevent forgery, those shareholders who have not yet opted for this facility are advised to dematerialize their shares in their own interest. So far, 30.84% of the shares have been dematerialised.

Acknowledgement

The Board appreciates the co-operation and support received from the esteemed shareholders, customers, business associates, financial institutions and bankers and would like to thank all of them for the trust reposed in the management. The Board also wishes to thank the Central and State Governments for their co-operation.

For and on behalf of the Board



Sanjiv Goenka
Chairman

Kolkata,
20th December, 2001

Annexure to the Directors' Report

Phillips Carbon Black Limited

Statement in accordance with Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 30th September, 2001.

1.A. Conservation of Energy

(a) Energy Conservation measures taken :

- Maximisation of power generation at co-gen plants.
- Process optimisation for reducing power consumption.
- Downsizing of motors and reducing equipments with marginal utilisation.
- Installation of energy efficient equipments.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :

- Relocation of 1000KVA DG set.
- Relocation of central air conditioning system.
- Parallel operation of DG sets.
- Installation of V V FD for equipment and change of fan types from open impeller to closed.

(c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :

- Despite change of mix of production, total energy consumption per unit of production remained almost unchanged from the previous year.

(d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the Rules in respect of Industries specified in the Schedule thereto :

(iii) Through Co-gen Power Plant

(Off-gas burning) units (KWH)	4,12,81,570	4,33,49,255
Units per ltr. of fuel oil (KWH)	50.93	51.97
Cost per unit (Rs.)	0.31	0.31

2. Coal (specify quality and where used)

Quantity (tonnes)	—	—
Total cost (Rs. in lakhs)	—	—
Average rate (Rs.)	—	—

3. Furnace Oil

Quantity (K. ltr.)	—	—
Total cost (Rs. in lakhs)	—	—
Average rate (Rs.)	—	—

4. Others/internal generation (process steam)

Quantity (MT)	70,041	74,762
Total cost (Rs. in lakhs)	12.46	12.45
Average rate (Rs.)	17.79	16.65

5. Consumption per unit of production

CARBON BLACK :

(i) Electricity (KWH/MT)	395	394
(ii) Furnace oil (Ltr./MT)	—	—
(iii) Coal	—	—
(iv) Others – process steam (MT/MT)	0.53	0.57

B. Technology Absorption :

(a) Efforts made in technology absorption as per Form-B of the Annexure.

Form for disclosure of particulars with respect to absorption :

FORM – A

Form for disclosure of particulars with respect to Conservation of Energy

	Current Year	Previous Year
A. Power and Fuel consumption		
1. Electricity		
(a) Purchased units (KWH)	99,90,970	86,44,817
Total amount (Rs. in lakhs)	522.40	507.78
Rate per unit (Rs.)	5.23	5.87
(b) Own generation		
(i) Through diesel generators		
units (KWH)	5,96,028	1,66,936
Units per ltr. of diesel oil (KWH)	3.40	3.76
Cost per unit (Rs.)	5.16	3.77
(ii) Through steam/turbine		
generators units (KWH)	—	—
Units per ltr. of fuel/gas oil (KWH)	—	—
Cost per unit (Rs.)	—	—

FORM – B

Research & Development (R&D)

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

- Development of series of higher value added blacks for export markets.
- Development of grades of Industrial Blacks on trial basis.
- Improvement of product characteristics to meet more stringent customer specs.
- Continuous recasting of Standard Operating Procedures.

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

- Higher price realisation in markets.
- Improved consistency of products.

Phillips Carbon Black Limited**3. Future Plan of Action**

- Development of specific grades for new generation of tyres.
- Cost effective solution for specific applications.

4. Expenditure on R&D :

	(Rs. in Lakhs)	
	Current Year	Previous Year
(a) Capital	26.82	-
(b) Recurring	88.09	43.55
(c) Total	114.91	43.55
(d) Total R&D Expenditure as a percentage of total expenditure	0.24	0.11

Technology absorption, adaptation, innovation :**1. Efforts in brief towards technology absorption, adaptation and innovation :**

- Continuous process to meet changing and stringent needs of customers all over the world towards higher value addition.

2. Benefits derived as a result of the above efforts :

- New customers and product development.

3. Particulars of Imported Technology in the last 5 years :

(a) Technology Imported : Modern High Temperature Technology obtained from M/s. Columbian Chemicals Co., USA.

(b) Year of Import : 1988/1998

(c) Has the technology been fully absorbed ? : Yes

(d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action. : Not applicable

C. Foreign exchange earnings and outgo :

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans :

Restricted availability of Carbon Black due to the closure of Cochin plant slowed down pace of exports. However, greater emphasis was given on markets with superior technological requirements and higher price realisation.

- b) Total Foreign Exchange used and earned :

	(Rs. in Lakhs)	
	Current Year	Previous Year
Foreign Exchange used	18,247.13	10,888.56
Foreign Exchange earned	3,807.65	5,105.39

Directors' Responsibility Statement u/s 217 (2AA) of the Companies Act, 1956.

The Directors confirm that the Annual Accounts have been prepared in accordance with the applicable accounting standards. The management has 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 the affairs of the Company at the end of the financial year and of the profits of the Company for that period. Sufficient care has been taken for 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. The annual accounts have been prepared on going concern basis.

For and on behalf of the Board

Kolkata,
20th December, 2001


Sanjiv Goenka
Chairman

Auditors' Report

TO THE MEMBERS OF PHILLIPS CARBON BLACK LTD.

1. We report that we have audited the Balance Sheet of Phillips Carbon Black Limited as at 30th September, 2001 signed by us under reference to this report and the related Profit and Loss Account for the year ended that date, which are in agreement with the books of account.
2. In our opinion, and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit & Loss Account, together with the notes thereon and attached thereto, give in the prescribed manner the information required by the Companies Act, 1956 of India (the Act) and subject to Note 10 on Schedule 16 regarding non-provision of year-end shortfall pertaining to certain debtors and advances as indicated therein (the extent thereof together with the corresponding adverse effects on the year-end net assets and the year's profit is not currently ascertainable) also give respectively, a true and fair view of the state of the Company's affairs as at 30th September, 2001 and its profit for the year ended that date.
3. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit. In our opinion, proper books of account have been kept as required by law so far as appears from our examination of the books.
4. In our opinion, the aforesaid Balance Sheet and Profit & Loss Account have been prepared by the Company in compliance with the applicable Accounting Standards referred to in Section 211 (3C) of the Act.
5. Based on the representations made by all the directors of the Company as on 30th September, 2001 which have been taken on record by the Board of Directors and the information and explanations as made available, the directors do not have any disqualification as referred to in Clause(g) of sub-section (1) of Section 274 of the Act.
6. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that :
 - 6.1 (a) The Company has maintained proper records to show full particulars including quantitative details (except for certain items of plant and machinery, furniture and fixtures and the fixed assets referred to in Note 24 on Schedule 16) and situation of its fixed assets.
 - (b) The fixed assets of the Company have been physically verified during the year by the Management and no material discrepancies between the book records and physical inventory have been noticed, except in case of items for which quantitative details are not available as referred to in sub-paragraph (a) above.
- 6.2 Certain items of fixed assets of the Company as at 30th September, 2001 have been revalued during the year on the basis as indicated in Note 12.2 on Schedule 16 to accounts.
- 6.3 The stocks of finished goods, stores, spare parts and raw materials of the Company have been physically verified by the Management during the year at reasonable intervals. The discrepancies between the physical stocks and book stocks were not material and these have been properly dealt with in the books of account.
- 6.4 In our opinion, the procedures of physical verification of aforesaid stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
- 6.5 In our opinion, the valuation of stocks of finished goods, stores, spare parts and raw materials have been fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceding years.
- 6.6 The Company has not taken any loans, secured or unsecured, from companies, firms, or other parties as listed in the Register maintained under Section 301 of the Act.
- 6.7 The Company has not granted any loans, secured or unsecured, to companies, firms, or other parties as listed in the Register maintained under Section 301 of the Act.

Phillips Carbon Black Limited

- 6.8 The parties to whom loans and advances in the nature of loans (including interest-free loans and/or deposits to employees, subsidiaries and others) have been given by the Company are generally regular in repayment of the principal amounts as stipulated and/or of interest, where applicable. In certain cases where there are no clear stipulations for repayment of principal amounts and/or interest payments, we understand that reasonable steps have been or are being taken by the Company for recovery/adjustment of the principal and/or interest.
- 6.9 In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for purchase of stores, raw materials including components, plant and machinery, equipment and other similar assets and for the sale of goods.
- 6.10 The Company has not purchased during the year any goods and materials and sold goods, materials and services aggregating Rs. 50,000 or more in value, during the year, from/to any of the parties listed in the Register maintained under Section 301 of the Act.
- 6.11 The Company has a system of determining unserviceable or damaged stores, raw materials and finished goods on the basis of physical verification and/or technical evaluation and on the aforesaid basis, in our opinion, adequate amount has been written off in these accounts for such stocks.
- 6.12 In case of Public Deposits received by the Company, the directives issued by the Reserve Bank of India and the provisions of Section 58A of the Act, and the applicable rules framed thereunder have been complied with.
- 6.13 In our opinion, reasonable records have been maintained by the Company for the sale and disposal of realisable scrap. The Company has no by-product.
- 6.14 In our opinion, the Company's present Internal Audit system is commensurate with its size and nature of its business.
- 6.15 On the basis of the records produced, we are of the opinion that *prima facie*, the cost records and accounts prescribed by the Central Government of India under Section 209(1)(d) of the Act for its product have been maintained. However, we are not required to carry out and have not carried out any detailed examination of such accounts and records.
- 6.16 The Company has been generally regular in depositing, during the year, Provident Fund and Employees' State Insurance (other than for the Durgapur Plant and Vadodara Unit) dues with the appropriate authorities. As explained to us, the Company has not recovered or deposited Employees' State Insurance dues in respect of employees in Durgapur Plant and Vadodara Unit for reasons indicated in Note 9 on Schedule 16.
- 6.17 Read with Note 21 on Schedule 16 there were no amounts outstanding on 30th September, 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 became payable.
- 6.18 During the course of our examination of the books of account carried out in accordance with generally accepted auditing practices we have not come across any personal expenses (other than contractual) which have been charged to Profit and Loss Account, nor have we been informed of such case by the Management.
- 6.19 The Company is not a sick industrial company within the meaning of Section 3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985 of India.

S. K. Deb
Partner

Kolkata,
20th December, 2001

For and on behalf of
PRICE WATERHOUSE
Chartered Accountants

Phillips Carbon Black Limited

Balance Sheet as at 30th September, 2001

	Schedule	As at 30th September, 2001	As at 30th September, 2000
		Rupees in Lakhs	Rupees in Lakhs
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,774.77	1,774.77
Reserves & Surplus	2	15,866.16	9,663.09
		<u>17,640.93</u>	<u>11,437.86</u>
Loan Funds	3		
Secured Loans		17,468.61	14,365.11
Unsecured Loans		4,643.41	4,699.56
		<u>22,112.02</u>	<u>19,064.67</u>
		<u>39,752.95</u>	<u>30,502.53</u>
APPLICATION OF FUNDS			
Fixed Assets	4		
Gross Block		28,763.09	22,576.24
Less : Depreciation		9,947.01	8,993.66
Net Block		<u>18,816.08</u>	<u>13,582.58</u>
Capital Expenditure in Progress (including Capital Advances)		2,139.32	540.51
[Note 23 on Schedule 16]		<u>20,955.40</u>	<u>14,123.09</u>
Investments	5	<u>3,752.08</u>	<u>3,850.43</u>
Current Assets, Loans and Advances			
Inventories	6	5,982.66	4,443.52
Sundry Debtors	7	15,468.54	13,322.93
Cash and Bank Balances	8	5,918.45	4,131.01
Loans and Advances	9	3,446.49	4,093.15
Other Current Assets	10	407.58	518.12
		<u>31,223.72</u>	<u>26,508.73</u>
Less : Current Liabilities and Provisions			
Liabilities	11	15,966.61	13,747.13
Provisions	12	211.64	232.59
		<u>16,178.25</u>	<u>13,979.72</u>
Net Current Assets		<u>15,045.47</u>	<u>12,529.01</u>
		<u>39,752.95</u>	<u>30,502.53</u>
NOTES ON ACCOUNTS	16		

This is the Balance Sheet referred to in our report of even date.

The Schedules referred to above and the attached notes form part of the Balance Sheet.

S. K. Deb
PartnerFor and on behalf of
PRICE WATERHOUSE
Chartered AccountantsKolkata,
20th December, 2001T. K. Banerjee
SecretaryS. Sahgal
Managing DirectorSanjiv Goenka
B. M. Khaitan Amiya Gooptu
C. R. Paul Paras Kumar Chowdhary
K. S. B. Sanyal O. P. Malhotra
Directors