

TMT (INDIA) LIMITED

25th

Annual Report 2001-2002

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TMT (INDIA) LIMITED

Twenty Fifth Annual Report 2001 -2002

BOARD OF DIRECTORS

- | | |
|-------------------------|---------------------|
| - Sri. T.G.Veera Prasad | - Managing Director |
| - Sri. A.Panduranga | - Director |
| - Dr. Pertti Hynninen | - Director |
| - Sri. A.N.Rao | - Director |
| - Sri. N.J.Rao | - Director |

BANKERS

State Bank of Hyderabad
Bank of Baroda
Central Bank of India

AUDITORS

M/s Brahmaya & Co.,
Chartered Accountants
ADONI

FACTORY

LPG & Engineering
Gondiparla,
Kurnool - 518 004
Phone: 80050
Grams: "BHADRA"

FLORICULTURE
Karikaldoddi
Hosur (Village)
Bidadi, Hobli
Ramnagar (Talug)
BANGALORE (Dist)

REGISTERED OFFICE

5-8-113, 21st Century Complex
2nd Floor, Nampally
Hyderabad - 500 001
Phone: 91-40-3204088

TMT (INDIA) LIMITED
 5-8-113, 2nd floor, 21st Century Complex
 Nampally, HYDERABAD – 500 001
 Phone : 320 4088 Grams : BHADRA

NOTICE OF THE 25th ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of the Company will be held on 26.09.2002 at 3.00 pm at the Registered Office of the Company situated at the above address to transact the following :

ORDINARY BUSINESS :

01. To receive, consider and adopt the Balance Sheet as at 31-03-2002 and the Profit and Loss Account for the period ended 31-03-2002 and the report of the Directors and Auditors thereon.
02. To appoint a Director Mr A. Panduranga, who retires by rotation and being eligible offers himself for re-appointment.
03. To appoint a Director Mr. A. N. Rao, who retires by rotation and being eligible offers himself for re-appointment.
04. To appoint a Director Mr. Perti Hynninen, who retires by rotation and being eligible offers himself for re-appointment.
05. To appoint auditors and fix their remuneration : The retiring auditors M/S Brahmayya & Company, Chartered Accountants, Adoni are eligible for re-appointment and to consider and pass with or without modification the following resolution.

"RESOLVED THAT M/S Brahmayya & Company, Chartered Accountants, Adoni be and are hereby appointed as Auditors of the Company to hold office till the conclusion of the next Annual General Meeting of the Company on remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS :

01. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution.
 "Resolved that the re-appointment of Sri. T. G. Veera Prasad as Managing Director by the Board of Directors in the meeting held on 19-07-2002 for a period of five years from 07-08-2002 to 06-08-2007 be and is hereby approved subject to the Provisions of the Sections 198, 269, 309, 310 and 311 and other applicable provisions of the Companies Act, 1956, if any, read with schedule XIII to the Companies Act, 1956, consent of the Company be and is hereby accorded to reappoint and remuneration payable to Sri. T. G. Veera Prasad, Managing Director with effect from 07-08-2002, by way of salary and perquisites as detailed below:
 - (a) Salary : Rs.30,000/- per month
 - (b) Commission @ 1% of the net profits of the company computed as provided under section 309(5) of the Companies Act, 1956 subject to a maximum of Rs.1.80 lakhs per annum.
 - (c) Perquisites : In addition to aforesaid salary, he shall also be entitled to perquisites like unfurnished accommodation, medical reimbursement for self and family, leave travel concession for self and family, club fee, personal accident insurance premium.
 Monetary value of such perquisites will be limited to Rs.2.70 Lakhs per annum.
 The perquisites shall be valued as per the Income Tax Rules, wherever applicable and in the absence of any such rule, shall be valued at actual cost.
 - (d) He shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling specified above.
 - (i) Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - (iii) Encashment of leave at the end of the tenure.

"Resolved further that in pursuance of the provisions of Section 198(4) of the Companies Act, 1956 the above may be paid as the minimum remuneration to Sri. T. G. Veera Prasad, Managing Director in the absence of or inadequacy of profits in any year"

By the order of the Board

Sd/-
T. G. VEERA PRASAD
Managing Director

Dated : 12-08-2002

Notes :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
2. Explanatory statement as required u/s 173 of the Companies Act, 1956 in respect of special business is Annexed to this notice.

ANNEXURE

**Explanatory statement in respect of Special Business
item no.1 of the Notice.**

As required under section 173 of the Companies Act 1956 the following is the explanatory statement setting out all material facts relating to the special business mentioned under item no.1 of the accompanying notice.

Mr. T.G.Veera Prasad was reappointed as Managing Director for period of five years at the Annual General Meeting held on 30.09.1997. As the term expires on 06.08.2002, the Board of the Directors felt it expedient to reappoint him for a further period of five years from 07.8.2002.

Mr. T.G.Veera Prasad is deemed to have been interested in this resolution. None of the other Directors is interested or concerned in any way in the resolution.

By the order of the Board

Sd/-
T. G. VEERA PRASAD
Managing Director

Dated : 12-08-2002

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Sd/-
T. G. VEERA PRASAD
Managing Director

Dated : 12-08-2002

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By the order of the Board

Sd/-
T. G. VEERA PRASAD
Managing Director

Dated : 12-08-2002

DIRECTORS' REPORT

Dear Members,

We have pleasure in presenting the Annual Report and the Audited statement of Accounts of your Company for the year ended 31st March, 2002.

FINANCIAL RESULTS**(Rs. in lakhs)**

	For the year ended 31-03-2002 (12 months)	for the period 1999-2001 (18 months)
Sales & other income	69.95	536.28
Profit for the year before Depreciation and Interest	7.18	332.18
Interest and Finance charges	191.49	730.45
Depreciation	50.69	123.50
Loss for the year after Interest and Depreciation	(235.00)	(521.77)
Add : Prior Period expenditure / Extra ordinary Income (Net)	(10.66)	23.52
Loss after Tax	(245.66)	(545.29)
Loss Brought forward from previous year	(620.30)	(75.01)
Loss carried to Balance Sheet	(865.96)	(620.30)

OPERATIONS

The year under report was very challenging with many problems for survival of the Company. The operations are mainly confined to the income from leave and license fees of LPG Cylinders. The sales & other income for the year under report was Rs. 69.95 lakhs as against Rs. 536.28 lakhs in earlier years of 18 months period. The extra ordinary income (net) comprises write back of (a) unpaid interest on working capital loans from Banks of Rs.512.80 lakhs on full and final settlement of dues by the guarantor of the loans, (b) inventories written off Rs. 484.32 lakhs on account of present realisable value of stocks as certified by a chartered engineer due to deterioration in quality and prior period expenses of Rs. 39.14 lakhs towards materials consumed earlier and now taken into account on reconciliation of parties accounts.

DIVISION / SEGMENT WISE OPERATIONS

Engineering Division: The operations have come to standstill due to lack of working capital facilities for execution of new contracts. Overseas contracts have not materialised due to adverse effect consequent to the terrorist attacks on World Trade Center, USA on September 11, 2001. However, the Company enjoys goodwill in the overseas market for its commitment of quality at competitive prices and is hopeful of obtaining some export orders in the near future.

LPG Division: The operations in the LPG unit were carried out on Leave and License basis. The income earned during the year under report was Rs.32.54 lakhs as against Rs. 195.36 lakhs in earlier year of 18 months period.

Floriculture Division: As in previous year there were domestic sale of flowers and the Company has taken up cleaning & upkeep of the unit for improving the yield of flowers.

LOANS / DUES TO BANKS & INSTITUTIONS:

The consortium Banks have accepted for one time settlement of the dues. Consequently the dues were settled and paid by the guarantors for the loans. The Banks are yet to withdraw the cases before the Debt Recovery Tribunal. The securities created in favour of the Banks are being transferred in favour of the guarantors.