TECIL CHEMICALS AND HYDRO POWER LIMITED

BOARD OF DIRECTORS

SHRI SHRINIWAS G. SOMANI
CHAIRMAN & MANAGING DIRECTOR

SHRI K. JOY
DIRECTOR (OPERATIONS)

SHRI G. R. BANG

BANKERS
CANARA BANK, KOTTAYAM

STATUTORY AUDITORS
K. VENKATACHALAM AIYER & CO
KOTTAYAM

REGISTERED OFFICE & WORKS.
P. O. CHINGAVANAM - 686 531
DIST. KOTTAYAM (KERALA)

ADMINISTRATIVE OFFICE:
EMPIRE HOUSE, (3RD FLOOR),
214, DR. D. N. ROAD, FORT,
MUMBAI - 400 001

NOTICE

Notice is hereby given that the 57th Annual General Meeting of the Company will be held on Tuesday 31st December, 2002 at 4.00 p.m. at its registered office at Tecil Premises P.O. Chingavanam – 686 531, Dist. Kottayam, Kerala to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors Report, Auditors Report and the Audited Profit & Loss Account of the Company for the year ended 31st March 2002 and Balance Sheet as at that date.
2. To appoint a Director in place of Shri G. R. Bangera who retires by rotation and being eligible offer himself for reappointment.
3. To appoint auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

   "RESOLVED THAT M/s K Venkatachalam Aiyer & Co. Chartered Accountants, Kottayam be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at a remuneration of Rs 60,000/- in addition to reimbursement of out of pocket expenses in connection with the audit of the accounts of the company."

By the order of the Board
sd/-
S. B. SOMANI
CHAIRMAN & MANAGING DIRECTOR

Mumbai
December 5, 2002

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not later than 48 hours before the meeting.
2. Members are requested to notify immediately any changes in their address.
3. The Register of Members & Share Transfer Book of the Company will remain closed from Tuesday 24 December 2002 to Tuesday 31 December 2002 (both days inclusive).
4. Members desiring to submit mandates, to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars M/s System Support Services at 209, Shivai Industrial Estate, Next to Parke Davis Ltd., Saki-Naka, Mumbai – 400072 on or before Monday 23 December 2002. The company will not be in a position to act upon any document which is incomplete or received after Monday 23rd December 2002.
5. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year 1995-96 and thereafter which remains unpaid / unclaimed for a period of 7 (Seven) years will be transferred to the Investor Education and Protection Fund constituted by the Central Government under section 205C of the Companies Act, 1956.

   It may kindly be noted that once the unpaid/unclaimed dividend is transferred to the Central Government, as above, no claims shall lie in respect thereof.

By the order of the Board
sd/-
S. B. SOMANI
CHAIRMAN & MANAGING DIRECTOR

Mumbai
December 5, 2002

To
The Members,
Your Directors hereby present the 57th Annual Report together with the audited accounts for the year ended 31st March, 2002

FINANCIAL RESULTS
The results for the year ended 31st March 2002 are summarized herein below

	2002	Rs. in Lakhs 2001
Year ended 31st March	115.99	1.71
Net Sales	0.89	5.55
Other Income	116.88	7.26
Total Income	34.98	829.37
Loss before interest and depreciation	1147.55	958.91
Add: Interest	135.49	138.88
Depreciation	1318.02	1724.88
Loss for the year	12.00	100.00
Extraordinary Income	167.02	158.57
Prior period adjustments	3487.51	1766.88
(Surplus)/Loss b/f from previous year		-
Add: Provision of Income Tax for earlier year	4933.55	3487.51
Balance carried forward to Balance Sheet		

DIVIDEND
Due to the loss incurred by the Company during the year the Board of Directors do not recommend dividend for the year.

OPERATIONS
The Company has been under LOCKOUT throughout the year and there was no production of Finished Goods. During the year Company sold stock of finished goods and scraps accumulated during earlier years. The loss was mainly on account of depreciation on the Assets and interest on the term loans charged to revenue.

Your Directors are extremely sad to bring to your kind notice that several adverse factors affecting the efforts of the Directors to revive the operations of the Company. During the last one year your Directors were making sincere and best efforts to find solutions to the various problems which resulted in the ultimate cessation of the business activities. The major cause for the set back in the efforts to revive the Company was the financial problems. Since the Company is under Lockout from 1999 onwards the Financial Institutions were not favourably inclined to extend further financial assistance. Your Directors have also made attempts to identify a strategic business group to associate with the Company in the revival programme. But due to reasons mentioned above they are also not willing to come forward. However we are in negotiations and are still going on with certain groups to finalise some arrangements for the revival of the Company.

These unfortunate and unavoidable developments also contributed to various other problems. Most of the employees deserted the Company seeking better opportunities. Financial Institutions initiated proceedings for recovery of their dues. The regulatory authorities have also initiated proceedings under the respective statutes to collect the dues from the Company. All these developments took place due to lack of financial resources in the hands of the Company to meet the obligations. Most of the observations of the Auditors appearing as qualification in the Auditors Report were in respect of the failure in meeting the financial obligations and commitments. Once the financial problems and difficulties of the company are solved all the matters stated by the Auditors in their report can be regularised and complied with. We are reasonably confident that the revival scheme submitted to the BIFR will be accepted to enable the Company to resume the business activities.

HYDRO POWER PROJECT
Due to financial constraints, there were no progress of work in Ullunkal Hydro Power Project of 7 MW capacity and Kuriarkutty Hydro Power Project during the financial year. Both the projects are financed by IREDA, IDBI and Canara Bank.

FINANCE
M/s IREDA, IDBI and CANARA BANK have filed applications before the Debt Recovery Tribunal for recovery of loans to them. The Company submitted petition before the Honorable Tribunal praying for necessary orders to grant stay of coercive steps for the recovery of the loan till the disposal of the application given to BIFR for the restructuring of the Company.

DEPOSITS
Deposits aggregating to Rs.51,000/- which had matured during the year remains unclaimed as at 31.3.2002

SUBSIDIARY COMPANY
As required u/s 212 of the Companies Act, 1956 the audited statements of accounts along with the report of the Board of the Directors of [illegible] India Ltd. and Auditor's Report for the year ended 31st March 2002 is annexed.

INDUSTRIAL RELATIONS

The Company has been under LOCKOUT throughout the year.

PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration in excess of the limit prescribed and hence requirement of attaching a statement as required by section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 is not applicable to this report.

DIRECTORS

The Director Shri G R Garg retires as per Article 88 of the Articles of Association of the Company and being eligible offers himself for re-appointment. Your Directors recommend his appointment.

AUDITORS

M/s K Venkatachalam Aiyer & Co., Chartered Accountants, Kottayam retire at the forthcoming Annual General Meeting and are eligible for reappointment. The Company has received confirmation that the appointment, if made, would be within the limits prescribed u/s 224(1B) of the Companies Act, 1956.

NOTES TO ACCOUNTS

i) Due to lockout, the Company did not carry out manufacturing activities during the year.

ii) Due to financial constraints and lack of liquid funds, statutory dues such as contribution to Provident Fund, ESIC, Sales Tax etc. could not be remitted in time. However the Directors are taking the matter with respective departments for settlement of dues in installment.

iii) On account of lockout many employees left the services of the Company and in the absence of experienced staff, annual / quarterly / monthly returns required by various statutes could not be filed within the due dates.

REFERENCE TO B.I.F.R

An application to the Board of Industrial & Financial Reconstruction has been made on 29/7/2002 under section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 and BIFR registered our application vide Registration No. 358/2002 on 12/9/2002.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement u/s 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirm:

- that in the preparation of the annual accounts for the financial year ended 31st March 2002, the applicable accounting standards have been followed and there has been no material departure, except to the extent noted by the auditors in their report.
- that the selected accounting policies were applied consistently and the directors 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 March 31, 2002 and of the profit of the company for the year ended on that date.
- that 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 the safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- that the annual accounts have been prepared on a "going concern" basis.

CORPORATE GOVERNANCE

The factory of the company has been under lockout since 05.07.1999. Severe financial stress and non completion of the hydel project as scheduled had affected the viability of the operation of the company.

In the these circumstances, the company has been unable to comply with the provisions of Corporate Governance as stipulated under clause 49 of the listing agreement.

PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.

As required in terms of section 217(1) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) rules 1988, the Report on Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo etc. is given in Annexure I forming part of the Report.

GENERAL

The Balance Sheet and Profit and Loss Account of the Company have been signed as per the provisions of section 215 (1) (a) of the Companies Act, 1956. Your Directors place on record their sincere appreciation for the continued co-operation, guidance, support and assistance received during the year under report by IDBI, IREDA, Company's Bankers Canara Bank as also all the employees of the company for their devoted and dedicated service in pursuing the corporate objectives of the company.

FOR AND ON BEHALF OF THE BOARD
sd/-
S B SOMANI
CHAIRMAN & MANAGING DIRECTOR

Mumbai
December 5, 2002

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ANNEXURE I

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

A. CONSERVATION OF ENERGY:

Ours is energy intensive process. Energy conservation programmes are undertaken in the Company on a continuous basis. Due to lockout throughout the year, no measures in this regard have been undertaken.

1 By commissioning and operating the ..., power consumption required for manufacturing Calcium Carbide has been reduced.

Total energy consumption and energy consumption per unit of production are as per Form A hereunder.

A. Power and Fuel consumption

		Current year	Previous year
1.	Electricity		
a)	Purchased units (Kwh)	NIL	NIL
	Total amount Rs	NIL	NIL
	Rate/unit @	NIL	NIL
b)	Own generation (Kwh)	NIL	NIL
2	Coal	NIL	NIL
3	Furnace Oil and HSD Oil		
a)	Purchased Units (KL)	NIL	NIL
	Total amount Rs	NIL	NIL
	Rate/KL	NIL	NIL
4	Others internal generation	NIL	NIL
B	Consumption per tonne of production (Kwh)		
1	Electricity		
	PRODUCTS		
a)	Calcium Carbide	NIL	NIL
b)	Ferro Silicon	NIL	NIL
c)	Acetylene Black	NIL	NIL
d)	Desulphurisation Compound	NIL	nil
2	Furnace Oil (KL)	NIL	NIL
3	Coal	NIL	NIL
4	Others	NIL	NIL

B. TECHNOLOGY ABSORPTION

1 The technology upgradation work of all furnaces on account of collaboration agreement with Elkem Metallurgy Mumbai a subsidiary of internationally well-known concern of smelting furnace i.e. Elkem Metallurgy, Norway has been completed.

2 The technological upgradation work of Acetylene Black plant in the line of agreement with M/s. KEDAS, Australia has also been completed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The total expenditure in foreign currency during the year:

Technical know-how fees	NIL	NIL
Travelling expenses	NIL	NIL
Subscription	NIL	NIL
CIF value of imports		
- Capital goods	NIL	NIL
- Raw Materials	NIL	NIL

AUDITORS REPORT

To
The Members of

TECIL CHEMICALS AND HYDRO POWER LIMITED

We have audited the attached Balance Sheet of TECIL CHEMICALS AND HYDRO POWER LIMITED as at 31st March 2002 and the Profit and Loss Account of the company for the year ended on that date, annexed thereto. 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 auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

   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 Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956 we enclose in the Annexure hereto the statement on the matters specified in paragraphs 4 and 5 of the said order.

3. Further to our comments in the Annexure referred to in Paragraph (2) above, attention is invited to the following observations:

4. The company incurred a net loss of Rs. [illegible] lakhs during the year ended 31.03.2002 and as on that date, the company's current liabilities exceeded its current assets by Rs. [illegible] lakhs. The accumulated losses as on 31.03.2002 at Rs. [illegible] lakhs as against the balance of Rs. [illegible] lakhs in the share capital and free reserves, have more than [illegible]. These factors, along with other matters as set forth in Note No. 2.15, raise substantial doubt over the company being able to continue as a going concern.

   We further report that:

   a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b. In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books.

   c. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of accounts.

   d. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report are prepared in compliance with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 to the extent applicable except as stated in para [illegible] and [illegible] and Note No. 2.2.5 regarding non recognition of excise duty on closing stock of finished goods.

   e. In our opinion and on the basis of written representation received from the Directors and taken on record by the Board of Directors, and subject to our observations in Note No. 2.16, we report that the Managing Director Shri [illegible] who was appointed as a Director of the Company in the meeting of the shareholders in the AGM held on 30th December 2000 is disqualified as on 31.3.2002 from being appointed as a Director in terms Section 274(1)(g) of Companies Act, 1956.

   f. No provision has been made towards:

      i) Liability on account of enhanced lease rent on land disputed as referred to in note no. 2.3.1 of Notes forming part of the accounts Rs. [illegible]/-

      ii) Liability on account of other demands/dues, covering Excise Duty, [illegible], Income Tax, Sales tax, compensation under voluntary retirement scheme payable to employees and additional compensation for land acquisition disputes as referred to in Notes forming part of accounts viz. Note No. 2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.6 and 2.3.8 of Rs. [illegible]/-

      iii) Doubtful debts under Sundry Debtors and Loans and Advances as referred to in Note No. 2.12.3 amounting to Rs. [illegible]/-

      iv) Interest accrued in respect of non payment of statutory dues as referred in note No. 2.4.1, 2.4.2 and 2.4.3 amounting about Rs. [illegible] lakhs.

      v) Claims made in the arbitration proceedings by suppliers of certain plant and machinery required for the hydro power project as referred to in note no. 2.2.[illegible] of the notes forming part of the accounts amounting to Rs. [illegible] lakhs.

iii) [illegible] No 2.2.1 of the Notes forming part of accounts.

iv) The impairment if any in the value of fixed assets as mentioned in note no. 2.11.3

g. Finance and incidental charges of Rs [illegible] for the current year on the loans taken for the Hydro Power Projects under implementation as referred to in Note No 2.11.1 of Notes forming part of accounts, have not been capitalised and have been charged to revenue in accordance with Accounting Standard 16 issued by the Institute of Chartered Accountants of India due to interruption in construction of the projects during the year. Finance and incidental charges on the loans taken for these Hydro power projects up to 31.03.2000 have been capitalised as referred to in Note No 2.11.1

h. We further report that on account of the non provision for various losses/ expenses and other facts as stated above, the loss for the year is understated by Rs. 167.66 lakhs being the net [illegible] revenue charge for the year, with consequent changes in Balance sheet.

Subject to the above observations and remarks, in our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the generally accepted accounting principles in India:

i) in so far as it relates to the Balance Sheet of the State of affairs of the Company as at 31st March 2002 and

ii) in so far as it relates to the Profit & Loss Account of the loss of the Company for the year ended on that date.

For K. VENKATACHALAM AIYER & CO.
CHARTERED ACCOUNTANTS
sd-
A. GOPALAKRISHNAN B.Sc. F.C.A. DISA (ICAI)
(PARTNER)

MUMBAI
December 5, 2002

ANNEXURE REFERRED TO PARAGRAPH 3 OF OUR REPORT TO SHAREHOLDERS OF TRAVANCORE CHEMICALS AND HYDRO POWER LTD., KOTTAYAM OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2002.

FIXED ASSETS

1. The records maintained by the Company showing full particulars including quantitative details and situation of fixed assets are to be updated. No physical verification of the items of fixed assets as at the year end, has been carried out this year due to lay off/ lock out of the factory and therefore, material discrepancies/ deterioration, if any, in the value of assets, their consequence if any or for any other reason, on physical verification and technical evaluation/ assessment by a technical expert could not be determined (Please refer to note 2.11.3).

2. None of the fixed assets have been revalued during the year. Fixed assets were revalued as on 31.03.1995

INVENTORIES/ STORES

3. Owing to lay off/ lock out of the factory, the usual practice of the company in conducting physical verification at reasonable intervals of finished goods, stores and spares, packing materials and raw materials, was not done during the current year also and therefore, the question of reporting as to the reasonableness and adequacy of the procedures of physical verification of stocks and stores followed by the management and discrepancies, if any, on physical verification of stocks as compared to book records during the year does not arise.

4. On the basis of our examination of stock records, we are of the opinion that the valuation of the stock is fair and proper and in accordance with the generally accepted accounting principles except to the extent as referred to in note no. 2.2.6 forming part of accounts. The basis of valuation of these stocks is the same as in the preceding year. The material loss, if any, in the valuation of the stock could not be ascertained and hence provided, as the stocks in question were not physically verified to determine its quantity and quality.

LOANS AND ADVANCES

5. The Company has taken unsecured loans from Companies, Firms and other parties listed in the register maintained u/s 301 of the Companies Act, 1956. The rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interests of the company. In terms of sub section (1B) of section 370 of the Companies Act, 1956, the provisions of the said section are not applicable to the company on or after 31st October 1998.

6. The company has granted unsecured loans to companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956. The rate of interest and other terms and conditions are not prejudicial to the interests of the company. There are instances where the company could not recover the interest due on certain such loans. However, as informed to us, there are no other terms and conditions. In terms of sub-section (1B) of section 370 of the Companies Act, 1956, the provisions of the said section are not applicable to the company on or after 31st October 1998.

7. In respect of loans and advances in the nature of loans given by the company to different parties (excepted from [illegible])

of our [illegible] 1956 and note No. 2.12.6 forming part of accounts. The Accuracy of unreported and/or [illegible] have [illegible] regular. The [illegible] recovered against employees' loans and advances is the [illegible] during the year due to lay off/lock out of the factory.

INTERNAL CONTROL

9 Due to lay off/lock out of the factory during the year and on account of only few transactions for the whole of the year the company has not implemented adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.

9 Internal audit was not carried out during the year due to lay off/lock out.

TRANSACTION WITH PARTIES AS REFERRED U/S 301 OF COMPANIES ACT 1956

10 There are no transactions of purchase of goods and materials and sale of goods, materials and services in value, aggregating during the year to Rs.50,000/- or more in respect of each party made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956.

UNSERVICEABLE GOODS

11 Due to lay off/lock out the Company has not determined the unserviceable or damaged stores, raw materials and finished goods during the year and accordingly no provision is made for the loss, if any, in the accounts during the year.

FIXED DEPOSITS

12 The Company has not accepted/renewed fixed deposits during the year. The Company also did not repay the fixed deposits matured during the year. As per the information given to us by the company, [illegible] on account of non receipt of claim from the depositors. However in respect of fixed deposits accepted/renewed in prior years and outstanding as at the date of the Balance Sheet, the company did not file the annual return of fixed deposits in accordance with the Rules of the Companies (Acceptance of Deposits) Rules, 1975.

COST RECORDS

13 As informed the Central Government has not prescribed maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956 for the products dealt by the Company.

STAFF WELFARE

14 The Company has not been regular in depositing the dues against Provident Fund and Employees State Insurance contributions during the year with the appropriate authorities resulting in arrears of Provident Fund dues Rs.52,06,[illegible] and Employees State Insurance dues Rs.16,34,[illegible] and interest on PF overdue amounting to Rs.15,48,[illegible] (Please refer to note no. 3.2 [illegible]).

TAXATION

15 There are undisputed amounts payable in respect of Income Tax, Sales Tax, Customs Duty and Excise Duty outstanding as at 31st March, 2002 for a period of six months from the date they became payable as per details shown below:

a) Income tax Rs. 15,03,[illegible]

b) Interest on the above not provided for as referred to in Note No. 3.4.2 forming part of the accounts about Rs.5 lakhs.

c) Sales Tax Rs 44,75,727/-

d) Interest on the above not provided for as referred to in Note No. 2.4.3 forming part of the accounts about Rs.20 lakhs.

OTHERS

16 According to the information and explanations given to us and on the basis of the examination of the books of accounts carried out by us in accordance with the generally accepted auditing practices, no personal expenses of employees or Directors other than those payable under contractual obligations or in accordance with the generally accepted business practice, are charged to the revenue account.

17 The Company is maintaining reasonable records for the sale and disposal of realisable by-products and scraps.

18 The total accumulated loss of the company as on 31.03.2002 is more than the aggregate of capital and free reserves other than revaluation reserve and consequently the company is a Sick Industrial Company within the meaning of Sec.3 (1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985. The company has submitted an application before the Board for Industrial and Financial Reconstruction for the reference u/s 15(1) of the Sick Industrial Companies (Special Provisions) Act 1985 and the company is registered as case No. 356/2002 for consideration for formulating the scheme.

For N. VENKATACHALAM AIYER & CO.
CHARTERED ACCOUNTANT

MUMBAI
December 5, 2002

SD/-
A. GOPALAKRISHNAN B.Sc., F.C.A, DISA (ICAI)
(PARTNER)

[illegible] CHE[illegible] AND [illegible] PO[illegible] LIMITED

BALANCE SHEET AS AT [illegible] 2002

Sl No	PARTICULARS	SCHEDULES	CURRENT YEAR Rs. ('000's)	PREVIOUS YEAR Rs. ('000's)
	SOURCES OF FUNDS			
I	SHAREHOLDERS FUNDS			
	a) Share capital	(A)	166,146	166,145
	b) Reserves and surplus	(B)	693,293	554,632
			859,[illegible]	720,777
II	LOAN FUNDS			
	a) Secured loans	(C)	765,332	633,742
	b) Unsecured loans	(D)	[illegible]	235
			7[illegible]	633,977
	TOTAL		1,[illegible]	1,354,754
	APPLICATION OF FUNDS			
III	FIXED ASSETS	(E)		
	a) Gross block		947,[illegible]	949,911
	b) Less: Depreciation		4[illegible]	410,365
	c) Net block		487,[illegible]	539,546
	d) Capital Work-in-Progress	(F)	547,[illegible]	546,969
			1,034,724	1,086,514
IV	INVESTMENTS	(G)	8,[illegible]	8,412
V	CURRENT ASSETS, LOANS AND ADVANCES			
	a) Inventories	(H)	30,[illegible]	35,557
	b) Sundry debtors	(I)	24,[illegible]	22,715
	c) Cash and bank balance	(J)	1,1[illegible]	707
	d) Loans and advances	(K)	[illegible]	27,223
			[illegible]	87,364
VI	Less: CURRENT LIABILITIES AND PROVISIONS			
	a) Liabilities	(L)	1[illegible]	173,696
	b) Provisions	(M)	2,[illegible]	2,644
			1[illegible]	175,227
	NET CURRENT ASSETS		([illegible])	(88,955)
VII	Profit and loss account		4[illegible]	348,761
			1,434,778	1,354,754

As per our attached report of even date

For and on behalf of Board of Directors

For K. VENKATACHALAM AIYER & CO.
Chartered Accountants

sd/-
A. GOPALAKRISHNAN B.Sc.,F.C.A. ([illegible])
(Partner)

[illegible], December 5, 2002

sd/-
[illegible]
(Chairman & Mg Director)

sd/-
[illegible]
(Director)

[illegible], December 5, 2002