

## 11TH ANNUAL REPORT 1999-2000



**VIDEOCON COMMUNICATIONS LIMITED**

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BOARD OF DIRECTORS

Venugopal N. Dhoot  
Pradipkumar N. Dhoot  
Sanjeev K. Shelgikar  
S. Padmanabhan  
Yoshinori Maeda  
Naoki Saito  
Hisao Ishiyama  
Nagao Ibayashi  
A. K. Ahuja *Nominee of IFCI*

AUDITORS

Khandelwal Jain & Co.  
*Chartered Accountants*  
12-B Baldota Bhavan  
117, Maharshi Karve Road  
Opp. Churchgate Railway Station  
Mumbai - 400 020

Kadam & Co.  
*Chartered Accountants*  
Ahmednagar College Road  
Kothi, Near Badve Petrol Pump  
Ahmednagar - 414 001

SOLICITORS

M/s. Mulla & Mulla & Cragle & Blunt & Caroe  
M/s. Kamal & Co.

BANKERS

State Bank of Hyderabad  
Central Bank of India  
The Vysya Bank Limited  
The Sakura Bank Limited  
Global Trust Bank Limited

REGISTERED OFFICE & FACTORY

20 Km. Stone, Aurangabad-Beed Road  
Village Bhalgaon  
Aurangabad  
(Maharashtra)

ADMINISTRATIVE OFFICE

171, Mittal Court, 'C' Wing  
Nariman Point,  
Mumbai - 400 021



## VIDEOCON COMMUNICATIONS LIMITED

NOTICE

**NOTICE** is hereby given that the Eleventh Annual General Meeting of **VIDEOCON COMMUNICATIONS LIMITED** will be held at the Registered Office of the Company at 20 K.M.Stone, Aurangabad-Beed Road, Vill. Bhalgaon, Aurangabad on Saturday the 30th day of September, 2000 at 12.30 p.m. to transact the following business:

### ORDINARY BUSINESS :

- To consider and adopt the Profit and Loss Account for the year ended on 31.03.2000 and the Balance Sheet as on that date and the Report of the Directors and Auditors thereon.
- To declare dividend on equity shares.
- To appoint a Director in the place of Shri P. N. Dhoot who retires at this meeting and being eligible and offers himself for reappointment.
- To appoint a Director in the place of Shri S. Padmanabhan who retires at this meeting and being eligible and offers himself for reappointment.
- To appoint a Director in the place of Shri Naoki Saito who retires at this meeting and being eligible and offers himself for reappointment.
- To appoint Auditors to hold office from conclusion of this Annual General Meeting up to the conclusion of the next annual general meeting and to fix their remuneration.

### SPECIAL BUSINESS :

- To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :  
"RESOLVED THAT the Company do hereby accord its consent under Section 293(1)(a) of the Companies Act, 1956, to mortgaging and/or charging by the Board of Directors of the Company of all or any of the immovable and movable properties of the Company, wherever situate, both present and future or the whole or substantially the whole of the undertaking or undertakings of the Company in such form and in such manner as the Board of Directors may think fit, together with power to take over the management of the business and concern of the Company in certain events for securing any loans and/or advances already obtained or that may be obtained from any financial institutions/Banks/insurance companies or person or persons, and/or to secure any debentures issued and/or that may be issued and all interests, compound/additional interest, commitment charge, costs, charges, expenses and all other moneys payable by the Company to the concerned lenders within the overall limit of Rs.1,000 Crores (Rupees One Thousand Crore Only)."
- To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :  
"RESOLVED THAT pursuant to Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may

think fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any time exceed the limit of Rs.1000 Crores (Rupees One Thousand Crore Only)."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution."

By the order of the Board of Directors

Place : Ahmednagar  
Date : 31st August, 2000

**P. N. DHOOT**  
Director

**Registered Office :**  
20 K.M.Stone  
Aurangabad-Beed Road  
Vill. Bhalgaon  
Aurangabad.

### NOTES :

- Explanatory Statement pursuant to Section 173(2) is enclosed and forms part of this notice.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- The Register of Members and Share Transfer Books of the Company will remain closed from September 7, 2000 to September 30, 2000 (both days inclusive).
- Dividend, if declared at the meeting, will be paid to those members whose names appear in the Register of Members of the Company as on September 30, 2000.
- The members are requested to:
  - Intimate to the Company changes, if any, in their Registered Addresses at an early date.
  - Quote Ledger Folio numbers in all the correspondence.
  - Bring the Copy of the Annual Report and Attendance Slip with them to the Annual General Meeting.

RESOLUTIONS PASSED AT THE ELEVENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON 30th SEPTEMBER 2000 AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY

### Item No. 7 :

The Company proposes a resolution authorizing Board to borrow loans upto maximum of Rs.1,000 Crore.

Overall increase in the volume of activities of the Company is expected to result in increased funds requirements. In order to meet the fund requirement your Company may issue various instruments and adopt different methods of fund raising.

In order to borrow loans from Banks/Institutions the Board needs authorization to mortgage/hypothecate the assets of the Company as security/collateral security for which, consent of the shareholders in the General Body Meeting is required under Section 293(1)(a) of the Companies Act, 1956 authorizing the Board of Directors with necessary powers. Hence the proposed resolution is recommended for the consent of the members.

None of the Directors of the Company is, in any way concerned or interested in this resolution.

### Item No. 8 :

Section 293(1)(d) of the Companies Act, 1956 requires that the Directors of the Company should obtain the consent of the Shareholders in the General Meeting to enable them to borrow moneys where the amount to be borrowed together

with the amount already borrowed by the Company will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes.

In order to meet the borrowing requirements and to enable the Company to borrow for its purposes further amounts, the borrowing limits previously sanctioned by the members are proposed to be revised in the manner specified in the Resolution. The purpose of this Resolution is to seek members' consent to the revision in the borrowing limits.

None of the Directors of the Company is, in any way concerned or interested in this resolution.

By the Order of the Board of Directors

Place : Ahmednagar  
Date : 31st August, 2000

**P. N. DHOOT**  
Director

**Registered Office :**  
20 K.M.Stone  
Aurangabad-Beed Road  
Vill. Bhalgaon  
Aurangabad.

## 11TH ANNUAL REPORT 1999-2000

## CONTENTS

To  
The Shareholders of  
**VIDEOCON COMMUNICATIONS LIMITED**

The Board of Directors of Videocon Communications Limited have pleasure in placing before the shareholders the 11th Annual Report together with the Audited Accounts for the year ended March 31, 2000.

## FINANCIAL RESULTS

	(Rs. in Lacs)	
	1999-00	1998-99
Sales and Other Income	41,981	26,956
Profit before Interest, Tax and Depreciation	3,388	1,372
Interest	1,561	792
Depreciation	917	478
Profit before tax	910	102
Provision for Taxation	6	6
Profit available for Appropriation	1293	452
Proposed Dividend	38	38
Corporate Tax on Proposed Dividend	8	4
Transferred to General Reserve	750	20
Carried to Balance Sheet	497	390

## PERFORMANCE HIGHLIGHTS

During the year under consideration your Company achieved a turnover of Rs.41920 Lacs as against Rs. 26898 Lacs for the previous year representing a growth of 55.74% over the previous year. The net profit after tax was Rs.904 Lacs as against Rs.96 Lacs for the previous year.

## DIVIDEND

Your Directors are pleased to recommend a dividend of Re. 0.50 per equity share for the consideration of members. The equity dividend amount of Rs.37.50 Lacs would be paid out of the profits for the year, if approved by the shareholders at the Annual General Meeting. The dividend is free of tax in the hands of the shareholders and the Company will also be paying Rs.8.25 Lacs towards Corporate Tax on this Dividend.

## CONSERVATION OF ENERGY

Various steps have been taken to reduce consumption of electrical energy by improved house-keeping, monitoring the use of solar lights and equipments, improvement of power factor, indoor shop lighting, etc. Main emphasis has been on use of non-conventional energy sources. The Company has set up a team, which is studying the possibilities of use of various methods by which the Company optimizes the use of energy without affecting the productivity. The main task of the team is to study from different angles such as cost benefit analysis, impact on productivity, etc., various alternate proposals in this direction.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under consideration the earnings in foreign exchange is NIL. The total foreign exchange outgo during the year was Rs.2734 Lacs towards import of raw materials, Components, Spares, Capital Goods and other expenditure.

## FIXED DEPOSIT

Your Company has not accepted any deposits from the Public.

## INFORMATION TECHNOLOGY AND Y2K

Your Company took effective steps to address the Y2K issue and has successfully achieved compliance in the millennium. The total amount spent for the compliance of Y2K was Rs.50 Lacs.

## RESEARCH AND DEVELOPMENT (R &amp; D)

Your Company continued to give utmost importance to the R & D activities with a well-equipped research and development team, which always strives better to work on development of the products best suited to the needs of the customers.

## HUMAN RESOURCES MANAGEMENT

Your Company continued to lay emphasis on the development of human resources. The main focus of training activities during the year had been to orient the employees to effectively face the new and emerging challenges emanating from the competitive environment and liberalization in the consumer goods sector.

## CORPORATE GOVERNANCE

The development of capital market is always dependent on good Corporate

Governance and hence there is a need for setting up of high standards of Corporate Governance. Your Company always gives importance for the building of the confidence of investors on the Brand of the Company and thereby increase the shareholder value.

The concept of Corporate Governance mainly deals with the accountability of the management of the Company towards the shareholders as well as other outside agencies. In order to establish better corporate governance the accounting systems maintained by the Company are being made more transparent with better internal control systems.

Further your Company is of the view that differentiation, loyalty, higher market share, stronger selling price and lower costs help higher earnings per share, which increases shareholders value.

Hence, the current accounting and disclosure practices followed by the Company are such that it :

- ◆ Shows properly the Company's going concern value or net assets value.
- ◆ Assist the capital market players and credit rating agencies in doing objective assessment of corporate strength and potentialities.
- ◆ Improve the quality of financial statement published and financial disclosure practices adopted by corporate.
- ◆ Depict the sound capital structure and improved capital-gearing ratio.

Though the code of Corporate Governance introduced by the Securities and Exchange Board of India is required to be implemented in terms of the Listing agreement with the Stock Exchanges within the financial year 2001-02, your Company has already taken initiatives to comply with the substantial portion of the Code from now onwards.

## INDUSTRIAL RELATIONS

Relations with the staff members and the workforce continued to be cordial and satisfactory during the year under consideration.

## PARTICULARS OF EMPLOYEES

None of the employees is covered by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

## SUBSIDIARY COMPANY

Accounts and Reports relating to Subsidiary Company VIDEOCON VCR SECURITIES LIMITED, pursuant to Section 212 of the Companies Act, 1956 is attached to the Balance Sheet.

## AUDITORS' REPORT

The observation made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

## AUDITORS

M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai and M/s. Kadam & Co., Chartered Accountants, Ahmednagar, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received certificates from these Auditors to the effect that their reappointment, if made, would be within prescribed limit under Section 224(1-B) of the Companies Act, 1956.

## DIRECTORS

Mr. P. N. Dhoot, Mr. S. Padmanabhan and Mr. Naoki Saito retire by rotation at the Annual General Meeting and being eligible, offers themselves for reappointment. During the year Mr. A. K. Ahuja has been nominated as a director on the Board by IFCI Limited. Your directors welcome the new director.

## CASH FLOW STATEMENT

Cash Flow Statement for the year 1999-2000 is attached to the Balance Sheet.

## ACKNOWLEDGEMENT

Your Directors are happy to place on record their gratitude to the employees at all levels for their commitment and dedicated efforts. The Directors are also thankful to the shareholders for their continued support to the Company.

For and on Behalf of the Board of Directors

**P. N. DHOOT**  
Director

Place : Ahmednagar  
Date : 31st August, 2000



## VIDEOCON COMMUNICATIONS LIMITED

To

The Members of

### VIDEOCON COMMUNICATIONS LIMITED

We have audited the attached Balance Sheet of **VIDEOCON COMMUNICATIONS LIMITED**, as at 31st March, 2000 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and report that :-

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit, we annex hereto a Statement on the matters specified in Paragraphs 4 and 5 of the said Order.
2. Further to our comments in Annexure referred to in paragraph 1 above, we report that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 the Books of the Company;
  - c) The Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the Books of Account of the Company;
  - d) In our opinion, the Profit and Loss Account and Balance

Sheet comply with the mandatory Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.

- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to Note No.B-8, Schedule 14, regarding accounting for royalty and technical know-how on payment basis on receipt of RBI approval and read with Note No.B-5, Schedule 14, regarding change in method of valuation of investments and the other notes and the accounting policies thereon, give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view :
  - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2000; and
  - (ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.

For and on behalf of

**KADAM & CO.**

Chartered Accountants

**KHANDELWAL JAIN & CO.**

Chartered Accountants

**U.S. KADAM**

Proprietor

**MANOJ DAGA**

Partner

Place : Ahmednagar

Date : 31st August, 2000



# 13th ANNUAL REPORT 1999-2000

Statement referred to in paragraph 1 of our Report of even date to the Members of the Videocon Communications Limited on the accounts for the year ended 31st March, 2000.

1. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets, except in respect of certain items of furnitures and fixtures, where unitwise aggregate cost and location are not available. As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business. To the best of our knowledge, no material discrepancies were noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As per the information furnished, the stock of finished goods, work-in-process, stores, raw materials, components and spare parts have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the verification is reasonable.
4. In our opinion and according to the information and explanations given to us, procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
5. In our opinion, discrepancies noticed on verification between physical stock and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts.
6. In our opinion and according to the information and explanations given to us, the valuation of abovementioned stocks is fair and proper, in accordance with the normally accepted accounting principles and except to the extent as stated in Note 6, Schedule 14B, is on the same basis as in the preceding year.
7. As per the information furnished, the Company has not taken/ granted loans, secured or unsecured, from/to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. As informed to us, there are no companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act, 1956.
8. In respect of loans and advances in the nature of loans given by the Company, where stipulations have been made, the parties are generally repaying the principal amounts as stipulated and have also been regular in payment of interest wherever applicable.
9. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures 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 and other assets and for the sale of goods.
10. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs.50,000 or more in respect of each party have

been made at prices which are reasonable, having regard to the prevailing market prices as available with the Company for such transactions of goods, materials or services made with other parties.

11. As per the information furnished, the Company has regular procedure for determination of unserviceable or damaged stores, raw materials and finished goods. Adequate provision has been made in the accounts for the loss arising on the items so determined.
12. The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A of the Companies Act, 1956 and rules made thereunder.
13. In our opinion, reasonable records have been maintained by the Company for the sale and disposal of realisable scrap. We are informed that the Company does not have any disposable by-products.
14. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
15. As per information furnished, the Central Government has not prescribed maintenance of cost records as required under Section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products.
16. According to the information and explanations given to us and records examined by us, the Provident Fund dues and the Employees' State Insurance dues wherever applicable, have been regularly deposited during the year with the Appropriate Authorities.
17. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, customs duty and excise duty which have remained outstanding as at 31st March, 2000 for a period exceeding six months from the date they became payable.
18. According to the information and explanations given to us and records examined by us, no personal expenses have been charged to revenue account, other than those payable under contractual obligations or in accordance with the generally accepted business practice.
19. The Company is not a sick company within the meaning of Clause (O) of Section 3(1) of the Sick Industrial Companies (Special Provisions) Act, 1985.
20. In relation to trading activities of the Company, we are informed that there are no damaged goods.

For and on behalf of

**KADAM & CO.**  
Chartered Accountants

**KHANDELWAL JAIN & CO.**  
Chartered Accountants

**U.S. KADAM**  
Proprietor

**MANOJ DAGA**  
Partner

Place : Ahmednagar  
Date : 31st August, 2000





# VIDEOCON COMMUNICATIONS LIMITED

BALANCE SHEET AS AT 31st March 2000

Particulars	Schedule	(Rupees)	As at 31st March, 2000 (Rupees)	As at 31st March, 1999 (Rupees)
<b>I. SOURCES OF FUNDS :</b>				
<b>1. Shareholders' Funds</b>				
Share Capital - Equity	1	75,000,000		75,000,000
Share Capital - Preference	1	450,000,000		—
Reserves & Surplus	2	153,499,445		153,873,115
			<b>678,499,445</b>	<b>228,873,115</b>
<b>2. Loan Funds</b>				
Secured Loans	3		<b>998,620,282</b>	1,078,912,596
Unsecured Loans	4		<b>375,000,000</b>	497,500,000
<b>TOTAL</b>			<b>2,052,119,727</b>	<b>1,805,285,711</b>
<b>II. APPLICATION OF FUNDS</b>				
<b>1. Fixed Assets</b>	5			
Gross Block		1,449,902,010		1,390,023,318
Less : Depreciation		284,244,393		118,603,970
Net Block		1,165,657,617		1,271,419,348
Capital Work-in-progress		4,470,214		27,656,816
Technical Know-how Fees		9,615,718		14,423,576
			<b>1,179,743,549</b>	<b>1,313,499,740</b>
<b>2. Investments</b>	6		<b>67,551,814</b>	33,654,960
<b>3. Current Assets, Loans &amp; Advances</b>	7			
Inventories		681,952,486		412,310,736
Sundry Debtors		573,900,980		399,685,648
Cash and Bank Balances		47,115,390		57,742,334
Other Current Assets		2,318,847		2,427,428
Loans and Advances		12,153,391		57,844,723
		<b>1,317,441,094</b>		<b>930,010,869</b>
<b>Less : Current Liabilities &amp; Provisions</b>	8			
Current Liabilities		504,899,824		463,939,598
Provisions		7,716,906		7,940,260
		<b>512,616,730</b>		<b>471,879,858</b>
<b>Net Current Assets</b>			<b>804,824,364</b>	<b>458,131,011</b>
<b>TOTAL</b>			<b>2,052,119,727</b>	<b>1,805,285,711</b>
Significant Accounting Policies and Notes on Accounts	14			

As per our report of even date

For and on behalf of  
**KADAM & CO.**  
Chartered Accountants

**U. S. KADAM**  
Proprietor

Place : Ahmednagar  
Dated : 31st August, 2000

For and on behalf of  
**KHANDELWAL JAIN & CO.**  
Chartered Accountants

**MANOJ DAGA**  
Partner

For and on behalf of the board  
**P. N. DHOOT**  
Director

**S. PADMANABHAN**  
Director



## 11TH ANNUAL REPORT 1999-2000

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2000

Particulars	Schedule	Current year ended on 31st March, 2000 (Rupees)	Previous year ended on 31st March, 1999 (Rupees)
<b>I. INCOME</b>			
Sales/Income from Operations		4,192,024,489	2,689,785,920
Other Income	9	6,098,721	5,822,724
<b>TOTAL</b>		<b>4,198,123,210</b>	<b>2,695,608,644</b>
<b>II. EXPENDITURE</b>			
Cost of Goods Consumed/Sold	10	3,437,648,086	2,186,779,274
Salaries, Wages & Employees' Benefits	11	36,701,361	31,849,118
Manufacturing and Other Expenses	12	384,468,985	339,744,236
Interest & Finance Charges	13	156,110,570	79,221,613
Depreciation		165,640,423	47,803,669
Less : Transferred from General Reserve [Refer Note 4 (b), Schedule 14B]		73,964,092	—
<b>TOTAL</b>		<b>4,106,605,333</b>	<b>2,685,397,910</b>
<b>Profit before Extra ordinary Items</b>		<b>91,517,877</b>	<b>10,210,734</b>
Less : Extra Ordinary Item : Diminution in Value of Investments		12,604,146	—
Less : Transferred from General Reserve [Refer Note 5, Schedule 14B]		12,124,980	—
<b>III. Profit before Tax</b>		<b>91,038,711</b>	<b>10,210,734</b>
Less : Provision for Taxation		610,000	600,000
<b>IV. Profit for the Year</b>		<b>90,428,711</b>	<b>9,610,734</b>
Add : Transferred from Debenture Redemption Reserve		—	35,000,000
Add : Short/Excess Provision (Income Tax)		(138,309)	—
Add : Balance brought forward		38,977,384	529,150
<b>V. Balance available for appropriation</b>		<b>129,267,786</b>	<b>45,139,884</b>
<b>VI. APPROPRIATIONS</b>			
Proposed Dividend - Equity		3,750,000	3,750,000
Corporate Tax on Proposed Dividend		825,000	412,500
Transfer to General Reserve		75,000,000	2,000,000
Balance Carried to Balance Sheet		49,692,786	38,977,384
<b>TOTAL</b>		<b>129,267,786</b>	<b>45,139,884</b>
Significant Accounting Policies and Notes on Account	14		

As per our report of even date

For and on behalf of  
**KADAM & CO.**  
Chartered Accountants

**U. S. KADAM**  
Proprietor

Place : Ahmednagar  
Dated : 31st August, 2000

For and on behalf of  
**KHANDELWAL JAIN & CO.**  
Chartered Accountants

**MANOJ DAGA**  
Partner

For and on behalf of the board  
**P. N. DHOOT**  
Director

**S. PADMANABHAN**  
Director