

Balance Sheet

As at March 31, 2002

	Schedule	As at 31.3.2002		As at 31.3.2001	
		Rs.	Rs.	Rs.	Rs.
I. SOURCES OF FUNDS:					
SHAREHOLDERS FUNDS:					
Share Capital	1	559,064,720		543,064,700	
Reserves and Surplus	2	<u>8732,434,796</u>		<u>6,207,723,454</u>	
			9291,499,516		6,750,788,154
Fully Convertible Share warrants (Refer Note 8 of Schedule 17)			-		54,400,068
LOAN FUNDS:					
Secured Loans	3		8,040,965,667		3,613,251,886
DEFERRED CREDIT LIABILITIES					
	4		<u>22,828,777</u>		<u>28,538,022</u>
TOTAL			<u>17,355,293,960</u>		<u>10,446,978,130</u>
II. APPLICATION OF FUNDS:					
FIXED ASSETS:					
Gross Block	5	9,131,951,534		5,255,040,085	
Less: Depreciation		<u>1,205,055,777</u>		<u>548,392,409</u>	
Net Block		<u>7,926,895,757</u>		<u>4,706,647,676</u>	
Capital Work-in-progress		<u>3,472,323,595</u>		<u>1,304,747,974</u>	
			11,399,219,352		6,011,395,650
INCIDENTAL EXPENDITURE					
PENDING CAPITALISATION (New Projects)	6		331,147,605		93,143,785
INVESTMENTS	7		413,756,284		183,694,785
CURRENT ASSETS, LOANS AND ADVANCES:					
Inventories	8	2,402,415,132		1,731,422,768	
Sundry Debtors	9	2,604,483,002		1,361,004,149	
Cash and Bank Balances	10	917,134,267		1,260,731,298	
Loans and Advances	11	<u>875,038,178</u>		<u>703,603,106</u>	
		<u>6,799,070,579</u>		<u>5,056,761,321</u>	
Less: CURRENT LIABILITIES AND PROVISIONS:					
Current Liabilities	12	1,408,007,508		797,709,779	
Provisions		<u>125,900,860</u>		<u>101,352,090</u>	
		<u>1,533,908,368</u>		<u>899,061,869</u>	
Net Current Assets			5265,162,211		4,157,699,452
Net Deferred tax Liability			(70,608,028)		-
MISCELLANEOUS EXPENDITURE					
	13		<u>16,616,536</u>		<u>1,044,458</u>
TOTAL			<u>17,355,293,960</u>		<u>10,446,978,130</u>
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS					
	17				

(Ramesh Sanka)
FC & CIO

(Minni Katariya)
Company
Secretary

(Deepak Puri)
Chairman &
Managing Director

(Harnam D. Wahi)
Director

AS PER OUR REPORT OF EVEN DATE
For K.C. KHANNA & CO.,
Chartered Accountants

Place : New Delhi
Date : August 16, 2002

(Nitin K. Jain)
Partner

Profit and Loss Account

For the year ended March 31, 2002

	Schedule	Year Ended 31.3.2002 Rs.	Year Ended 31.3.2001 Rs.
INCOME:			
Sales		6,805,585,027	3,360,826,796
Other Income	14	130,071,633	158,292,709
Increase in stock of Finished/Semi-Finished Goods	15	435,136,599	319,748,032
		7,370,793,259	3,838,867,537
EXPENDITURE:			
Raw Materials and Components Consumed		2,685,651,061	1,341,628,896
Stores, Spares and Tools Consumed		102,450,077	56,101,042
Electricity and Power		180,068,806	83,022,842
Excise Duty		116,529,874	21,288,449
Salaries, Allowances and Bonus		176,130,726	82,521,117
Contribution to Provident Fund and Other Funds		8,000,469	4,371,746
Employees Welfare Expenses		9,817,205	7,163,198
Gratuity		648,542	1,200,000
Commission on Sales (Other Selling Agents)		370,644	23,150
Rent(Including Lease Rent Rs.13,563,851: Previous year Rs.32,191,171)		30,981,479	39,037,720
Repairs & Maintenance:			
- Building		683,734	754,403
- Plant & Machinery		1,223,304	8,465,988
- Others		6,665,112	3,357,084
Freight and Forwarding		252,903,838	59,826,167
Insurance		57,295,085	13,325,387
Rates and Taxes		5,197,639	45,841
Remuneration to Auditors		809,125	577,996
Miscellaneous Expenses		99,651,020	74,036,152
Interest	16	375,485,111	261,505,332
Royalty/Technical Knowhow Fees		395,772,326	98,248,214
Loss on sale of short term investments		39,606	249,675
Bad Debts written off		2,821,058	—
Provision for doubtful debts and advances		2,003,831	1,268,000
Loss on sale of Fixed Assets		110,438	—
Miscellaneous Expenditure written off		2,433,108	637,427
		4,513,743,218	2,158,655,826
PROFIT BEFORE DEPRECIATION AND TAX		2,857,050,041	1,680,211,711
Less: Depreciation		656,725,072	294,274,546
PROFIT BEFORE TAX		2,200,324,969	1,385,937,165
Provision for Taxation :			
Current tax		5,970,265	267,379
Deferred tax		36,392,225	—
		42,362,490	267,379
NET PROFIT AVAILABLE FOR APPROPRIATION		2,157,962,479	1,385,669,786
APPROPRIATIONS:			
Proposed Dividend:			
-on Preference Shares		8,625,000	8,625,000
-on Equity Shares		117,531,244	88,754,668
		126,156,244	97,379,668
Corporate Tax on Proposed Dividend		879,750	11,002,226
Transfer to:			
General Reserve		2,030,926,485	1,277,287,892
TOTAL		2,157,962,479	1,385,669,786
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	17		

(Ramesh Sanka) (Minni Katariya) (Deepak Puri) (Harnam D. Wahi)
FC & CIO Company Chairman & Director
Secretary Managing Director

AS PER OUR REPORT OF EVEN DATE
For K.C. KHANNA & CO.,
Chartered Accountants

Place : New Delhi
Date : August 16, 2002

(Nitin K. Jain)
Partner

Schedules

Forming part of the Balance Sheet as at March 31, 2002

	As at 31.3.2002		As at 31.3.2001	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 1 - SHARE CAPITAL:				
Authorised:				
6,25,00,000 Equity Shares of Rs.10 each		625,000,000		625,000,000
7,50,000 Preference Shares of Rs.100 each		75,000,000		75,000,000
		700,000,000		700,000,000
Issued, Subscribed and Paid-up:				
48,406,472 (Previous year 46,806,470) Equity Shares of Rs.10 each called up in cash		484,064,720		468,064,700
750,000 11.5% Cumulative Redeemable Preference Shares of Rs.100 each		75,000,000		75,000,000
TOTAL		559,064,720		543,064,700
Notes : 1. 1,600,002 (Previous Year 5,668,015) Equity Shares were allotted on conversion of fully convertible Warrants (Previous year debentures) into equity shares.				
2. Cumulative Redeemable Preference Shares allotted on 24.3.2000 are redeemable at the end of three years with a put option at the end of eighteen months of the allotment.				
3. Please Refer to Note 8 of Schedule 17 regarding Share Warrants issued by the Company				
SCHEDULE 2 - RESERVES AND SURPLUS:				
Capital Reserve:				
State Capital Investment Subsidy received from Director of Industries, Kanpur, (U.P)		1,000,000		1,000,000
Securities Premium Account:				
As per last Balance Sheet	4,055,484,064		681,958,985	
Added during the year	528,000,660		3,373,525,079	
		4,583,484,724		4,055,484,064
Investment Allowance Reserve:				
As per last Balance Sheet	—		15,700	
Less: Transferred to General Reserve	—		15,700	
		—		—
General Reserve:				
As per last Balance Sheet	2,151,239,390		873,935,798	
Added during the year	2,030,926,485		1,277,287,892	
Less: Deferred Tax Liability as on 1-4-2001	34,215,803		—	
Add: Transferred from Investment Allowance Reserve	—		15,700	
		4,147,950,072		2,151,239,390
TOTAL		8,732,434,796		6,207,723,454

Schedules

Forming part of the Balance Sheet as at March 31, 2001

	As at 31.3.2002		As at 31.3.2001	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 3- SECURED LOANS:				
a) Term Loans:(Guaranteed by two Directors)				
i)* From Industrial Finance Corporation of India Ltd.	—		25,427,195	
ii) From Export Import Bank of India-EXIM Bank	250,475,541		298,500,000	
iii) From State Bank of India	353,720,237		453,720,237	
<u>Foreign Currency Loans:</u>				
iv) From Exim Bank of India (US\$ 27,930,701:Previous Year US\$ 19,930,701)	1,368,883,656		932,956,114	
v) From Industrial Development Bank of India-IDBI (US\$ 7,014,796:Previous year US\$ 8,329,837)	343,795,152		389,919,670	
vi) From Bayerische Hypo- und Vereinsbank AG, (Munich)	930,601,394		—	
From ANZ Bank, (Frankfurt)	465,300,697		—	
From Standard Chartered Bank (London) (Euro 43,374,566)	465,300,697		—	
vii) From International Finance Corporation, Washington, USA (Euro 22,650,000:Previous year Euro 16,750,000)	971,911,500		692,612,500	
		5,149,988,874		2,793,135,716
Notes:				
1 Amount repayable within one year- Rs.9,412.58 lakhs (Previous year- Rs.5,011.71 lakhs)				
2 These are secured by way of first mortgage and charge on all the immovable and movable assets, present and future, of the Company (subject to prior charge on specified movables as otherwise stated, including in favour of the Company's bankers by way of security for borrowings for working capital), ranking pari passu with charges for the term loans.				
3* Includes foreign currency component-Previous year US\$ 333,814 (Rs.15,625,841).Foreign currency converted @ US\$ 1= Rs.49.01:(Previous year US\$ 1=Rs.46.81) and @ 1 Euro = Rs.42.91 (Previous year 1 Euro = Rs.41.35)				
b) Other Loans:				
<u>From Banks:</u>				
Secured by hypothecation of stock-in-trade and book debts (Guaranteed by two Directors)	2,890,898,671		819,122,137	
<u>From Others:(Guaranteed by a Director)</u>				
Secured against hypothecation of specific vehicles and plant and machinery (Amount due within one year Rs.78,122: Previous year Rs.994,033)	78,122		994,033	
		2,890,976,793		820,116,170
TOTAL		8,040,965,667		3,613,251,886
SCHEDULE 4 - DEFERRED CREDIT LIABILITIES:				
Secured against deemed hypothecation of invoice value of related capital equipments, guaranteed by EXIM Bank,USA (includes interest accrued Rs.3,148,223 : Previous year Rs.1,315,105)		22,828,777		28,538,022
Due within one year US\$ 299,444 : Previous year US\$ 299,444 equivalent to Rs.14,675,750 : Previous year Rs.14,016,974 (converted @ US\$ 1 =Rs.49.01: Previous year Rs.46.81)				

Schedules

Forming part of the Balance Sheet as at March 31, 2002

SCCHEDULE 5 - FIXED ASSETS :

DESCRIPTION	GROSS BLOCK				DEPRECIATION		NET BLOCK	
	As at 01.04.2001	Additions during the year	Deductions during the year	Total as at 31.3.2002	For the Year	Upto 31.3.2002	As at 31.3.2002	As at 31.3.2001
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
LAND - Leasehold	97,506,602	86,287,828	-	183,794,430	-	-	183,794,430	97,506,602
BUILDINGS	413,385,659	396,222,731	-	809,608,390	22,413,835	47,083,314	762,525,076	388,716,179
PLANT, MACHINERY AND OTHER EQUIPMENTS	4,605,964,667	3,261,912,374	-	7,867,877,041	619,772,044	1,123,812,768	6,744,064,273	4,101,923,941
FURNITURE, FIXTURES AND OFFICE EQUIPMENTS	38,894,809	30,807,369	-	69,702,178	6,424,399	17,694,308	52,007,870	27,624,900
ELECTRIC INSTALLATION	89,231,193	96,762,066	-	185,993,259	6,599,643	13,176,651	172,816,608	82,654,186
VEHICLES	10,057,155	5,282,716	363,635	14,976,236	1,596,647	3,288,736	11,687,500	8,221,868
TOTAL	5,255,040,085	3,877,275,084	363,635	9,131,951,534	656,806,568	1,205,055,777	7,926,895,757	4,706,647,676
PREVIOUS YEAR	2,444,856,286	2,810,183,799	-	5,255,040,085	294,274,546	548,392,409		
Capital Work-in-Progress							3,472,323,595	1,304,747,974
TOTAL							11,399,219,352	6,011,395,650

Notes:

- Fixed Assets include cost of Motor Vehicles (Rs.949,662) and plant and Machinery (Rs.46,913,183) acquired under hire purchase arrangements.
- Vehicles Includes cost of Motor cars of Rs.3,004,286 taken on Financial lease
- Additions to fixed assets include Rs.87,994,432 (Previous year Rs.64,448,095) on account of exchange differences.
- Interest Capitalised during the year Rs.89,210,164 (Previous Year Rs. 3,44,83,420).

	As at 31.3.2002		As at 31.3.2001	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 6- INCIDENTAL EXPENDITURE				
PENDING CAPITALISATION				
(New Projects)				
Opening Balance		93,143,785		8,406,310
Additions during the year:				
Consumption of Materials, Stores, Tools expenses etc.		125,792,166		106,026,270
Electricity and Power		19,070,705		42,229,260
Salaries, allowances and other benefits:				
Salaries and Allowances		9,017,356		4,686,413
Contribution to Provident and Other Funds		309,437		72,760
		9,326,793		4,759,173
Travelling Expenses (including for Directors)		5,937,490		6,571,319
Interest & Financial Charges (net)		315,775,059		73,487,814
(Includes upfront and management fee of Rs.168,553,230: Previous year Rs.Nil)				
Miscellaneous Expenses		10,749,088		8,655,818
(Includes Rs.Nil :Previous year Rs.10,000 as fee to Auditors for other reports/certification)				
Legal and Professional Charges		10,404,969		33,145,235
Insurance		2,435,472		-
Total		592,635,527		283,281,199
Less: Capitalised during the year		261,487,922		190,137,414
Balance carried to Balance Sheet as at the year end		331,147,605		93,143,785

Schedules

Forming part of the Balance Sheet as at March 31, 2002

	As at 31.3.2002		As at 31.3.2001	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 7 - INVESTMENTS:				
A. Long-term (Non-trade)				
i) Quoted:				
375 Equity Shares of Rs.100 each, of State Bank of Bikaner & Jaipur		202,500		202,500
ii) Unquoted (Trade) :				
* In CAPCO LUXEMBOURG S.a.r.l. 1 (Previous Year: 100) equity shares of Euro 125 each	4,961		496,052	
** 63,367 Preferred Equity Certificates of Euro 125 each	320,668,823		-	
95 shares of US\$ 10 each in GLYPHICS MEDIA INC-U.S.A (Subsidiary)	92,880,000		92,880,000	
		413,553,784		93,376,052
		413,756,284		93,578,552
B. Current Investments				
2,541,723 Units of Prudential ICICI Liquid Plan of Rs.10 each	—		30,055,516	
923,992 Units of Cholamandalam Cazenove of Rs.10 each	—		10,000,000	
87,191,237 Unsecured redeemable bonds of ICICI Limited under Portfolio Management Scheme of Prudential ICICI Assets Management Company Limited	—		50,060,717	
	—	—		90,116,233
		413,756,284		183,694,785

Notes:

i) CURRENT INVESTMENTS ACQUIRED/SOLD DURING THE YEAR	Face value	2001-2002		2000-2001	
		Nos.	Cost	Nos.	Cost
Mutual Fund Units:	Rs.		Rs.		Rs.
- Birla Sun Life Mutual Fund	10	8,605,256	107,844,496	9,662,743	120,311,790
- Cholamandalam Cazenove Mutual Fund	10	923,992	10,000,000	7,398,374	75,000,000
- Prudential ICICI Mutual Fund	10	15,852,694	187,402,827	34,347,525	406,355,142
- ICICI Mutual Fund- PMS scheme	10	87,191,237	50,060,717	—	—
- Templeton Funds	10	—	—	1,000,581	10,018,791
- Sun F& C Mutual Fund	10	—	—	25,294,313	252,943,127
- Dundee Mutual Funds	10	—	—	6,949,309	69,613,505
- Alliance Capital Mutual Fund	1000	—	—	23,834	30,000,000
		112,573,179	355,308,040	84,676,679	964,242,355
ii) LONG TERM INVESTMENTS					
* 99 Shares sold during the year					
**acquired during the year					
iii) AGGREGATE VALUE OF INVESTMENTS					
	Cost	Market Value	Cost	Market Value	
A) Quoted	202,500	108,750	202,500	103,688	
B) Unquoted	413,553,784	—	183,492,285	—	
	413,756,284	108,750	183,694,785	103,688	

Schedules

Forming part of the Balance Sheet as at March 31, 2002

	As at 31.3.2002		As at 31.3.2001	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 8 - INVENTORIES:				
(As taken, valued and certified by the Management)				
Stores and Spares (including in transit)		162,281,985		92,471,973
Stock-in-trade(including in transit):				
Raw Materials and Components	815,160,721		760,299,563	
Semi-finished Goods	181,038,649		117,743,703	
Finished Goods	1,243,933,777		760,907,529	
		2,240,133,147		1,638,950,795
TOTAL		2,402,415,132		1,731,422,768
SCHEDULE 9- SUNDRY DEBTORS:				
(Unsecured : Considered Good):				
Debts outstanding for a period exceeding six months (net of provisions Rs.35,18,090: Previous year Rs. 50,12,197)				
	110,757,991		18,394,689	
Less: Provision for Doubtful Debts	3,518,090	107,239,901	5,012,197	13,382,492
Other Debts		2,497,243,101		1,347,621,657
TOTAL		2,604,483,002		1,361,004,149
SCHEDULE 10 - CASH AND BANK BALANCES:				
Cash in hand (including cheques/drafts and imprest balances with employees)				
		6,506,536		4,954,376
Balances with Scheduled Banks:				
In Current Accounts	78,332,267		192,132,440	
In Margin Money/Fixed Deposit Accounts (Including interest accrued)	429,215,241		948,054,446	
In Share Application Refund Order Account	24,914		24,914	
In Unpaid Dividend Account	4,083,963		4,286,689	
In Exchange Earnings Account	2,448,092		26,074,316	
		514,104,477		1,170,572,805
Balances held outside India:				
- ABN Amro Bank- Current Account (Euro 3,079,412 : Previous year US\$ 1,719,656) Including Interest accrued Euro 50 (Rs.2103)				
	129,522,214		79,686,868	
- Deutsche Bank - Deposit Account (Euro 6,348,099:Previous year Euro136,128)				
	267,001,040		5,517,249	
		396,523,254		85,204,117
TOTAL		917,134,267		1,260,731,298

Notes:

- Maximum balance outstanding at any time during the year was:
 - ABN Amro Bank:**
EURO 6,493,892: Previous year US\$ 1,873,598
(Rs.280,081,519:Previous year Rs.868,822,545)
 - Deutsche Bank:**
Euro 9,249,950: Previous year Euro 3,629,719
(Rs.395,067,500:Previous year Rs.147,112,511)
- Rate of conversion applied:
Euro 1 = Rs.42.06 :Previous year US\$ 1= Rs.46.34
& Euro 1 = Rs.40.53

Schedules

Forming part of the Balance Sheet as at March 31, 2002

	As at 31.3.2002		As at 31.3.2001	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 11- LOANS AND ADVANCES:				
(Unsecured - Considered Good):				
Interest accrued on investments		—		2,704,390
Advances and other amounts recoverable in cash or in kind or for value to be received (net of provision - Rs.195,000)		865,902,783		6,93,585,829
Earnest Money/Security Deposits		9,135,395		7,312,887
TOTAL		875,038,178		703,603,106
SCHEDULE 12- CURRENT LIABILITIES AND PROVISIONS:				
A. Current Liabilities:				
Sundry Creditors *		1,093,354,814		615,783,463
Due to Directors		72,230		69,230
Due to Bank(Cheques issued in excess of book balance)		—		168,635
Other Liabilities		236,356,936		144,744,091
Security Deposits		14,866,980		4,045,458
Interest accrued but not due on Secured Loans		59,872,801		29,212,429
Unpaid Dividend		3,483,747		3,686,473
Total		1,408,007,508		797,709,779
B. Provisions:				
For Taxation		6,438,855		741,138
For Proposed Dividend		117,531,244		88,754,668
For Corporate tax on Dividend		879,750		11,002,226
For Accumulated Leave Encashment		1,051,011		854,058
Total		125,900,860		101,352,09
TOTAL		1,533,908,368		899,061,869
(*includes Rs.NIL :Previous year Rs.70,81,050 to SSI Units as identified by the Management)				
SCHEDULE 13 - MISCELLANEOUS EXPENDITURE:				
(To the extent not written off or adjusted)				
Deferred Revenue Expenses		16,076,058		—
Share/Right Issue Expenses		540,478		1,044,458
TOTAL		16,616,536		1,044,458

Schedules

Annexed to the Profit and Loss Account for the Year Ended March 31, 2002

	Year ended 31.3.2002		Year ended 31.3.2001	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 14- OTHER INCOME:				
Interest Received (Gross):				
a) On Deposits with banks	11,271,198		143,677,259	
b) Others	<u>1,011,331</u>		<u>348,176</u>	
(Tax Deducted at source Rs.19,37,255 : Previous year Rs.28,268,546)		12,282,529		144,025,435
Excess provisions and unclaimed credit balances written back		2,156,367		989,596
Difference in Exchange Rates (Net)		99,962,522		6,418,465
Profit on sale of forward contracts		2,045,032		1,722,535
Miscellaneous Income		11,859,245		2,170,517
Dividend on Investments (includes Rs.13,125: Previous year Rs.11,250 on Long Term investments)		1,765,938		2,966,161
TOTAL		<u>130,071,633</u>		<u>158,292,709</u>
SCHEDULE 15-INCREASE IN STOCK OF FINISHED/SEMI-FINISHED GOODS:				
Closing Stock:				
Finished Goods	1,241,875,441		760,907,529	
Semi-finished Goods	<u>180,209,559</u>		<u>117,743,703</u>	
		1,422,085,000		878,651,232
Less: Opening Stock:				
Finished Goods	760,907,529		281,087,490	
Semi-finished Goods	<u>117,743,703</u>		<u>91,866,004</u>	
	878,651,232		372,953,494	
Add: Purchases of Finished Goods	<u>108,297,169</u>		<u>185,949,706</u>	
		986,948,401		558,903,200
TOTAL INCREASE		<u>435,136,599</u>		<u>319,748,032</u>
SCHEDULE 16- INTEREST:				
On Term Loans		214,323,392		197,538,315
Others (including bank charges)		<u>161,161,719</u>		<u>63,967,017</u>
TOTAL		<u>375,485,111</u>		<u>261,505,332</u>

Schedules

Forming part of the Accounts for the year ended March 31, 2002

SCHEDULE 17-ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

A. SIGNIFICANT ACCOUNTING POLICIES:

1 ACCOUNTING CONVENTION:

The financial statements are prepared on the basis of historical cost convention.

2 INVENTORY VALUATION:

2.1 Stores and Spare Parts (including machinery spares) are valued at cost.

2.2 Raw materials, semi-finished goods and finished goods are valued at lower of cost and net realisable value. The costs are based on weighted average cost. Cost of finished goods and semi-finished goods is determined by considering material, labour and related overheads.

3 INVESTMENTS:

3.1 Investments classified as "long term investments" are carried at cost. Provision for decline, other than temporary, is made in the carrying cost of such investments.

3.2 Investments classified as "Current investments" are carried at lower of cost and fair value determined on individual investment basis.

3.3 Any reduction in the carrying amount and any reversal of such reductions is charged or credited to the Profit & Loss Account.

3.4 Investments in mutual funds securities, where not quoted, are considered at the Net Assets Value thereof.

4 FIXED ASSETS:

4.1 Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental and direct expenses related to acquisition. In respect of projects involving construction, related pre-operational expenses (including interest on loans for specific project) form part of the value of the assets capitalised.

4.2 Upgradation expenditure, other than towards normal wear/tear and upkeep relating to existing fixed assets, is added to the cost of the assets where it increases the performance/ life of the fixed assets.

5 DEPRECIATION:

Depreciation is provided on straight-line method as per rates specified in Schedule XIV to the Companies Act, 1956 except depreciation on cost adjustments arising on account of conversion of foreign currency liabilities for acquisition of fixed assets, which is amortised over the residual life of the respective assets. In respect of additions to/deductions from fixed assets during the year, depreciation is considered on pro-rata basis.

Assets costing Rs.5,000 or less each are fully provided.

Assets acquired under finance lease arrangements have been amortised over the lease period.

6 GOVERNMENT GRANTS/SUBSIDY

6.1 Government grants of the nature of contribution towards capital cost of setting up projects, are treated as Capital Reserve.

6.2 Grants in respect of specific fixed assets acquired are shown as a deduction from the cost of the related assets.

6.3 Government grants/subsidy are accounted on realisation basis.

7 ACCOUNTING FOR SALES:

Sales include excise duty and are net of sales returns, rebate and trade discount.

8 EXCISE DUTY:

Liability for excise duty in respect of goods manufactured by the Company, other than for exports, is accounted upon completion of manufacture and provision is made for excisable manufactured goods.

9 BORROWING COSTS:

Borrowing costs directly attributable to the acquisition of qualifying assets are capitalized as part of the cost of assets. All other borrowing costs are charged to revenue.

10 LEASE:

Lease rentals are expensed with reference to lease terms except for new projects where rentals pertaining to the period upto the date of commissioning of the related assets are capitalised.

Finance Charges payable on Assets taken on Financial Lease are charged off to Profit & Loss Account.

11 FOREIGN CURRENCY TRANSACTIONS:

11.1 Transactions denominated in foreign currency are accounted at the exchange rate prevailing at the date of the transaction.

Schedules

Forming part of the Accounts for the year ended March 31, 2002

SCHEDULE 17-ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd) :

- 11.2 Current assets, foreign currency loan and current liabilities are converted at the exchange rate prevailing as at the year-end and the resultant gain/loss is adjusted to the cost of fixed assets, if the foreign currency liability relates to fixed assets, and in other cases is considered to revenue.
- 11.3 For incorporation of accounts of the foreign branch, the year-end assets (other than investments and fixed assets), and liabilities are translated at the year-end rates of exchange, and the resultant gain/loss is considered to revenue.
- 11.4 Difference between the Forward rate and the Exchange rate at the date of the transaction is recognised as income or expense over the life of the contract, except in respect of liabilities incurred for acquiring fixed assets, in which case such difference is adjusted to the carrying amount of the respective fixed asset.

12 RETIREMENT BENEFITS:

- 12.1 Liability towards gratuity payable on death/retirement of employees is accrued based on actuarial valuation and is based on the premium determined by Life Insurance Corporation of India.
- 12.2 Provision for accumulated leave encashment benefit to the employees is accrued and computed on the assumption that employees are entitled to receive the benefit as at each year-end.

13 MISCELLANEOUS EXPENDITURE:

- 13.1 Expenditure in respect of issue of shares, pre-incorporation and other preliminary expenses are written-off over a period of 10 years from the year in which these are incurred.
- 13.2 Deferred revenue expenditure is written off over a period of 7 years from the year in which it is incurred.

B. NOTES ON ACCOUNTS:

- 1 In respect of immovable properties acquired from the erstwhile firm styled 'Met Industries', Calcutta Branch, formalities relating to transfer of such assets have not yet been completed; and the said properties continue to be held in the name of said erstwhile firm.
- 2 CONTINGENT LIABILITIES ETC.:
- 2.1 In respect of:
- Bank guarantees given by/on behalf of the Company-Rs.964.63 lakhs (Previous year Rs178.74 Lakhs).
 - Letters of Credit opened by banks on behalf of the Company-Rs.9797.98 lakhs (Previous year Rs.7967.90 lakhs)
 - Bills discounted Rs.2567.58 Lakhs (Previous year Rs.2783.05 lakhs)
- 2.2 Disputed demands in respect of Income-tax and Sales Tax-Nil (Previous year Rs.Nil)
- 2.3 Claims against the Company not acknowledged as debts - Rs.36.08 Lakhs (Previous year Rs.17.84 lakhs).
- 2.4 CAPITAL COMMITMENTS:
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)-Rs.10830.75 lakhs (Previous year Rs.3506.38 lakhs).

3 LEASE OBLIGATIONS:

Future obligations for rentals under finance lease arrangements for plant and machinery amount to Rs.119.92 lakhs (Previous year Rs 245.22 lakhs).

The company has taken Six Vehicles during the year under finance lease, reconciliation of minimum lease payments and their present value are as follows:

	Minimum Lease payments	Present value of minimum lease payments	Lease charges
Amount paid upto 31.3.2002	699,113	685,507	13,606
Amount payable not later than one year	666,108	573,255	92,853
Amount payable later than one year but not later than five years	2,933,804	1,745,525	1,188,279
Total	4,299,025	3,004,287	1,294,738

The total cost of the vehicles and their carrying amount as at 31st March 2002 are Rs.3,004,287 and Rs.2,397,111 respectively.

Schedules

Forming part of the Accounts for the year ended March 31, 2002

SCHEDULE 17-ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd) :

4 INVESTMENTS IN CAPCO LUXEMBOURG

During the year the following investments (of Euro 125 each) were acquired/sold in Capco Luxembourg S.a.r.l.

- 99 Shares sold
- 63,367 Preferred equity certificates acquired

5 CURRENT ASSETS, LOANS AND ADVANCES:

- 5.1 In the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation in the ordinary course of business, equal at least to the aggregate amount shown in the Balance Sheet.
- 5.2 Sundry Debtors includes amount due from subsidiary Company Rs.200,041,897 as at year end. Maximum Balance due at any time during the year from Glyphics Media Inc. USA (Subsidiary Company) was Rs 270,833,843 (Previous year Rs.10,923,126.)

6 TAXATION :

In view of there being no taxable profits under the Income Tax Act, 1961, no provision for income-tax has been considered necessary. Provision for taxation in respect of the foreign branch at Rotterdam, has, however, been made as required.

Deferred Tax: In accordance with requirements of the Accounting Standard 22 on "Accounting for taxes on income" issued by ICAI, the company has given effect to deferred tax accounting. Accumulated net deferred tax liability of the Company for the period upto March 31,2001 amounting to Rs.34,215,803 has been adjusted against General Reserve as on April 1, 2001.

The Break up of Deferred tax assets/ Liabilities as at 31st March 2002 is as under:

	Deferred tax assets	Deferred tax Liability
Timing differences on account of :		
Fixed assets	-	72,246,830
Provision for doubtful debts	(496,456)	-
Others	2,135,258	-
Total	1,638,802	72,246,830
Net Deferred Tax Liability		70,608,028

7 ADDITIONAL INFORMATION PURSUANT TO REQUIREMENTS OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956 (As certified by the management):

7.1 LICENCED CAPACITY	Not Applicable for any product of the company		
7.2 INSTALLED CAPACITY ETC:	Unit	*Installed Capacity	Actual Production
Storage Media	Nos.	891,320,000 (504,320,000)	683,703,511 (291,311,464)
*(As certified by the management and on which auditors have placed reliance without verification, this being a technical matter)			
7.3 <u>TURNOVER, PURCHASE, OPENING AND CLOSING STOCK OF GOODS:</u>			
I TURNOVER :	Unit	Qty.	Value (Rs.)
a) Storage Media:	Nos.	*632,471,345 (261,604,442)	6,781,905,312 (3,352,433,866)
b) Time Recorders	Nos.	20 (61)	374,800 (847,631)
c) Others			23,304,915 (7,545,299)
Total			6,805,585,027 (3,360,826,796)
*excludes rejection of 4,581,731 pieces			
II PURCHASES (Finished Goods) :	Unit	Qty.	Value (Rs.)
a) Storage Media	Nos.	3,425,804 (17,699,443)	107,718,460 (149,498,466)
b) Others			578,709 (53,785)
Total			108,297,169 (149,552,251)

Schedules

Forming part of the Accounts for the year ended March 31, 2002

SCHEDULE 17-ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd) :

III	STOCK OF GOODS (Finished):	Unit	Closing Stock Qty.	Value (Rs.)	Opening Stock Qty.	Value (Rs.)
a)	Produced:					
i)	Storage Media:	Nos.	132,568,257	1,222,106,808	81,869,582	718,212,483
			(81,869,582)	(718,212,483)	(37,083,961)	(262,886,286)
ii)	Time Recorders	Nos.	38	407,760	38	407,760
			(38)	(407,760)	(38)	(407,760)
b)	Purchased:					
i)	Storage Media:	Nos.	1,022,850	16,530,540	1,645,286	40,029,035
			(1,645,286)	(40,029,035)	(257,766)	(15,189,213)
ii)	Time Recorders	Nos.	30	341,254	50	473,330
			(50)	(473,330)	(111)	(876,162)
iii)	Others			4,547,415		1,784,921
				(1,784,921)		(1,728,069)
	Total			1,243,933,777		760,907,529
				(760,907,529)		(281,087,490)

IV RAW MATERIAL AND COMPONENTS CONSUMED:

		Qty.	Value (Rs.)
b)	Jackets/Shells and Components/Polymer Plastic	Nos. 93,229,400	1,147,650,609
		Kgs. 6,994,170	
		Nos. (169,168,602)	(714,268,474)
		Kgs. (1,899,526)	
	Others		1,538,000,452
			(627,360,424)
	Total		2,685,651,061
			(1,341,628,898)

V COMPOSITION OF RAW MATERIALS AND COMPONENTS CONSUMED:

	Percentage	Value (Rs.)
a)	Imported	2,333,806,149
		(90.99)
b)	Indigenous	351,844,912
		(9.01)
	Total	2,685,651,061
		(100.00)
		(1,341,628,898)

VI COMPOSITION OF STORES AND SPARES CONSUMED

	Percentage	Value (Rs.)
a)	Imported	63,982,762
		(81.98)
b)	Indigenous	38,467,315
		(18.02)
	Total	102,450,077
		(100.00)
		(56,101,042)

Note: Previous year's figures, wherever applicable, appear in brackets.

7.4 FOREIGN CURRENCY TRANSACTIONS:

	Year ended 31.3.2002 Rs.	Year ended 31.3.2001 Rs.
7.4.1 Value of Imports Calculated on C.I.F Basis:		
Purchase of Finished Goods	81,330,044	65,397,275
Raw Materials & Components(Including in transit)	1,733,178,847	1,719,452,647
Capital Goods(including Rs.178,53,34,937: Previous Year Rs.88,77,75,622 debited to Capital work in progress)	4,517,227,995	3,280,220,157
Stores, Spares and Consumables	104,596,181	66,980,833
Packing Material	804,050,690	151,311,298

Schedules

Forming part of the Accounts for the year ended March 31, 2002

SCHEDULE 17-ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd) :

	<u>Year ended</u> <u>31.3.2002</u> <u>Rs.</u>	<u>Year ended</u> <u>31.3.2001</u> <u>Rs.</u>
7.4.2 <u>Expenditure in foreign currency:</u>		
a) Foreign currency purchased for Travel (including Rs 288,870 :Previous year Rs.784,303 debited to incidental expenses pending capitalisation)	2,634,591	2,226,102
b) Interest payment to Financial Institutions/ Banks in Foreign Currency Capitalised during the year Rs.10,217,024 (Previous year Rs.10,325,944)	121,912,956	13,427,792
c) Royalty/Technical Know-how Fees	282,013,449	40,354,914
d) Other expenditure (including Rs.2,767,323 debited to incidental expenditure)	3,128,649	965,937
e) Financial Charges debited to Incidental expenditure pending capitalisation	155,408,107	19,329,870
f) <u>Expenditure of Foreign Branch:</u>		
Staff Welfare	18,315	-
Rent/Lease Rent	762,765	-
Packing Material	6,811,333	-
Remuneration to Branch Auditor	349,500	101,621
Freight & Forwarding	78,427,940	9,012,864
Legal and Professional Expenses	4,980,613	3,138,913
Miscellaneous Expenses	7,609,124	28,465,048
Financial Charges	10,119,898	6,675,353
Insurance	10,307,266	3,699,402
7.4.3 Dividend remitted on 8,378,327(2,712,400) fully paid up equity shares of Rs.10 each to five (Previous year ten) Non-Resident Shareholders		
a) Gross Dividend	16,756,654	4,804,418
b) Year to which relates	2000-2001	1999-2000
7.4.4 Earnings in Foreign Exchange-Value of Exports on FOB basis	5,882,047,643	3,117,533,536

7.5 REMUNERATION TO DIRECTORS:

	Year Ended 31.3.2002			Year Ended 31.3.2001		
	Managing Director	Whole time Directors	Total	Managing Director	Whole time Directors	Total
a) Salaries	810,000	1,065,000	1,875,000	600,000	120,000	720,000
b) Allowances	405,000	706,800	1,111,800	300,000	36,000	336,000
c) PF contribution	97,200	127,800	225,000	72,000	14,400	86,400
d) Perquisites	-	90,000	90,000	169,687	-	169,687
TOTAL	Rs. 1,312,200	1,989,600	3,301,800	1,141,687	170,400	1,312,087

(Figures for the previous year in case of whole time director are not comparable. Current year payments are made for two directors while previous year for one director.)

	<u>Year ended</u> <u>31.3.2002</u>	<u>Previous</u> <u>year</u>
7.6 Directors' Fee	110,000	44,000

7.7 REMUNERATION TO AUDITORS:

This comprises the following:

As Auditors

{Includes Rs.349,500 (Previous year Rs.104,621) to Branch Auditors}

637,000

367,121

For certification (Rs.Nil:Previous year Rs.10,000 debited to
Incidental Expenditure pending Capitalisation)

172,125

220,875

- 8 Pursuant to the agreement dated 12.08.2000 the company has issued 1,600,002 fully paid up equity shares of Rs.10/- each for equivalent number of share warrants at a premium of Rs.330 per share to Associates of Warburg Pincus on exercise of option of converting share warrants into equity shares.

Schedules

Forming part of the Accounts for the year ended March 31, 2002

SCHEDULE 17-ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd) :

9 Related Party disclosures:

1 Parties where control exists:

a Glyphics Media inc USA Subsidiary Company (95% shares of common stock held by MBIL as on 31-3-2002)

b Nature of Transactions Amount (Rs)

Sale of Goods 42,12,03,955

c Outstandings

Receivables 20,00,41,897

2 Other related parties with whom transactions have taken place during the year:

Directors of the company:

Mr.Deepak Puri - Managing Director
Mrs.Nita Puri - Whole-Time Director
Mr.Ratul Puri - Executive Director
Mr.Harnam D.Wahi - Director
Mr.Parkash Karnik - Director

10 Earning per share

	<u>2001-2002</u>	<u>2000-2001</u>
a) Calculation of Weighted Average number of equity shares of Rs.10 each		
No. of Shares at the beginning of the year	46,806,470	31,180,000
Shares issued on 13th February 2002 to shareholders of RIL,BIL,EIL on conversion of share warrants	1,600,002	
Shares issued on 1st April 2000 to shareholders of J. F.Electra on conversion of debentures		5,668,015
Share issued on 21-6-2000 to share holders of RIL,BIL,EIL and IFC(W)		8,708,457
Share issued on 24-8-2000 to share holders of RIL,BIL,EIL		1,249,998
Potential shares to be issued as at 31st March 2001		1,600,002
Total number of equity shares outstanding at the end of the year	48,406,472	48,406,472
Equity shares outstanding for 319 days	46,806,470	
Equity shares outstanding for 46 days	48,406,472	
Equity shares outstanding for 365 days		5,668,015
Equity shares outstanding for 283 days		8,708,457
Equity shares outstanding for 219 days		1,249,998
Potential equity shares outstanding for 365 days		1,600,002
Weighted Average number of equity shares outstanding during the year	47,008,114	44,350,050
Weighted Average number of equity shares outstanding during the year for diluted EPS		45,950,052
b) Net Profit after tax available for equity share holder	2,148,457,729	1,375,095,536
Basic Earnings Per Share	45.70	31.01
Diluted Earnings Per Share	45.70	29.93

11. Secondary segment information (by Geographic segments)

	Domestic Operations	Overseas Operations	Total
Revenues-Sales	821,630,153	5,983,954,874	6,805,585,027
Fixed Assets(including Incidental expenditure)	1,416,193,194	10,314,173,763	11,730,366,957
Capital Employed	2,1,017,77,795	15,307,305,157	17,409,082,952

Notes on Segment Information:

- Considering the nature of the company's business, its activities and operations, the internal financial reporting and the element of risk and returns, as also that it is predominantly engaged in the manufacture of storage media products, there are no business segments within the meaning of AS17 - Segment Reporting. Information has, therefore, been given as above in relation to the domestic/ overseas operations, by way of geographic segments.
- Being common, the infrastructure facilities are not segregable and do not have nexus to storage media for domestic or overseas operations. In the circumstances, the assets and capital employed have, therefore, been segregated pro-rata to the operations.

12. Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary.

13. Schedules 1 to 17 are annexed to and form an integral part of the Balance Sheet as at 31.3.2002 and the Profit and Loss Account for the year ended on that date.

(Ramesh Sanka)
FC & CIO

(Minni Katariya)
Company
Secretary

(Deepak Puri)
Chairman &
Managing Director

(Harnam D. Wahi)
Director

For K.C. KHANNA & CO.,
Chartered Accountants

Place : New Delhi
Date : August 16, 2002.

(Nitin K. Jain)
Partner

Additional Information as required under part-IV of the schedule VI to the Companies Act, 1956.

Balance sheet abstract and company's General Business Profile

I. Registration Details

Registration No.	15418	State Code :	55
Balance Sheet Date	31.3.2002		

II. Capital Raised during the year (Amount in Rs.Thousands)

Public Issue:-	Nil	Right Issue :	Nil
Bonus Issue:-	Nil	Private Placement :	16000

III. Position of Mobilisation and Deployment of Funds(Amount in Rs. Thousands)

Total Liabilities :	17355294	Total Assets :	17355294
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SOURCES OF FUNDS:

Paid up Capital :	559065	Reserve & Surplus :	8732435
Secured Loans :	8040966	Unsecured Loans :	22828

APPLICATIONS OF FUNDS:

Net Fixed Assets :	11730367	Investments :	413756
Net Current Assets :	5194554	Misc.Expenditure :	16617
Accumulated Losses :	Nil		

IV. Performance of Company (Amount in Rs.Thousand)

Turnover:	6935657	Total Expenditure :	4735332
Profit BeforeTax:	2200325	Profit After Tax :	2157962
Earning per share in Rs.	45.70	Dividend Rate :	25%

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item code No. (ITC Code)	852320	852390	847193.09
Product Description:	Magnetic Disk	Compact Disk Recordable	Storage Units

*Net of Deferred Tax Liabilities of Rs. 70,608 thousands

(Ramesh Sanka)
FC & CIO**(Minni Katariya)**
Company Secretary**(Deepak Puri)**
Chairman & Managing Director**(Harnam D. Wahi)**
DirectorPlace : New Delhi
Date : August 16, 2002.

Cash Flow Statement for the Year Ended March 31, 2002

(Pursuant to Listing Agreement With Stock Exchanges)

(Rs. in Lakhs)

	2001-2002	2000-2001
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	22,003.25	13,859.37
Adjustment for		
Depreciation	6,567.25	2,942.74
Loss on sale of Fixed assets	1.10	-
Exchange Difference (Net)	(999.62)	(64.18)
Interest Paid	3,754.85	2,615.05
Financial Lease Payments	135.64	321.91
Provision for Bad Debts	20.04	12.68
Income from Investments	(17.65)	(29.66)
Loss on sale of investments	0.40	2.50
Interest Income	(122.82)	(1,440.25)
	9,339.19	4,360.79
Operating profit before working capital changes	31,342.44	18,220.16
Adjustments for:		
Trade and Other Receivables	(14,870.28)	(14,841.27)
Inventories	(6,709.92)	(11,234.35)
Trade Payables	5,800.56	4,802.82
	(15,779.64)	(21,272.80)
Cash generated from operations	15,562.80	(3,052.64)
Direct Taxes Paid	-	(2.93)
Cash flow from operating activities	15,562.80	(3,055.57)
Miscellaneous Expenditure	(180.05)	6.37
Net cash from operating activities	15,382.75	(3,049.20)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	122.82	1,440.25
Income from Investments	17.25	27.16
Purchase of Fixed Assets/CWIP	(59,725.16)	(36,942.36)
Sale of fixed assets	1.10	-
(Increase)/Decrease in Incidental Expenditure	(2,380.04)	(847.38)
Pending Capitalisation		
Investments	(2,300.61)	(1,834.92)
Net cash used in investing activities	(64,264.64)	(38,157.25)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Paid	(3,389.65)	(2,462.38)
Exchange Difference (Net)	999.62	64.18
Proceeds from Issue of Share Capital/Warrants (Including Share Premium)	5,440.00	35,841.90
Proceeds from Borrowings	28,204.04	11,842.19
Repayment of Borrowings	(4,720.09)	(2,435.26)
Increase in Bank Borrowings	20,677.49	4,833.18
Financial Lease Payments	(135.64)	(321.91)
Dividend Paid(Incl. Corporate Dividend Tax)	(1,085.85)	(730.51)
Reduction in Debentures/ Warrants	(544.00)	(1,700.40)
Net cash from financing activities	45,445.92	44,930.99
D. NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	(3,435.97)	3,724.54
Cash and Cash Equivalents as at the beginning of the year	12,607.31	8,882.77
the end of the year	9,171.34	12,607.31
	(3,435.97)	3,724.54

Additions to fixed assets includes Rs 879.94 Lacs (Previous year Rs.644.48 Lacs)on account of exchange difference.

(Ramesh Sanka)
FC & CIO

(Minni Katariya)
Company Secretary

(Deepak Puri)
Chairman & Managing Director

(Harnam D. Wahi)
Director

Place : New Delhi
Date : August 16, 2002.

AUDITOR'S CERTIFICATE

We have examined the Cash Flow Statement of Moser Baer India Ltd for the year ended March 31,2002.The Statement has been prepared by the Company in accordance with the requirements of clause 32 of the listing agreement with Various Stock Exchanges and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated August 16,2002.

For K.C. Khanna & Co.,
Chartered Accountants.

Place : New Delhi
Date : August 16, 2002

(Nitin K. Jain)
Partner

Statement under section 212 of the companies act, 1956 relating to subsidiary companies

1. NAME OF THE SUBSIDIARY	GLYPHICS MEDIA INC, USA
2. FINANCIAL YEAR OF THE SUBSIDIARY	31ST MARCH, 2002
3. HOLDING COMPANY'S INTEREST IN THE SUBSIDIARY COMPANY	95% OF EQUITY CAPITAL
4. NET AGGREGATE AMOUNT OF THE PROFIT/(LOSS) OF THE SUBSIDIARY COMPANY (CONCERNING THE MEMBERS OF MOSER BAER INDIA LIMITED) NOT DEALT WITH OR PROVIDED FOR IN THE ACCOUNTS OF MOSER BAER INDIA LIMITED	
(a) For the Current Year	(Rs. 43,362,342) *(\$915,590)
(b) For the Previous Years since it became a subsidiary	(Rs. 9,086,523) *(\$194,115)
5. NET AGGREGATE AMOUNT OF THE PROFIT/(LOSS) OF THE SUBSIDIARY COMPANY (CONCERNING THE MEMBERS OF MOSER BAER INDIA LIMITED) DEALT WITH OR PROVIDED FOR IN THE ACCOUNTS OF MOSER BAER INDIA LIMITED	
(a) For the Current Year	NIL
(b) For the Previous years since it became a subsidiary	NIL

*Converted at the respective year-end exchange rate.

(Ramesh Sanka)
FC & CIO

(Minni Katariya)
Company Secretary

(Deepak Puri)
Chairman & Managing Director

(Harnam D. Wahi)
Director

Place : New Delhi
Date : August 16, 2002.