

63rd Annual Report 1999-2000



AMRUTANJAN LIMITED

BOARD OF DIRECTORS

**Sri S.V. Subramaniam
Sri K.M. Mathew
Sri S. Radhakrishna (Managing Director)
Dr. Pasumarthi S.N. Murthi
Sri D. Seetharama Rao
Sri R. Vijayaraghavan
Sri S. Sambhuprasad**

AUDITORS

**M/s. P.S. Subramania Iyer & Co.
Chartered Accountants
109/2, St. Mary's Road (1st Floor)
Chennai 600 018**

BANKERS

**State Bank of India
The Dhanalakshmi Bank Limited
Indian Overseas Bank**

REGISTERED OFFICE

**42-45 Luz Church Road
Mylapore, Chennai 600 004
Phones : 4994164/4994146/4994465/4994366
Fax : 044-4994585
E-mail : amrutan@md2.vsnl.net.in
Web Site : <http://www.amrutanjan.com>**

FACTORIES AT

**Mylapore, Chennai
Uppal, Hyderabad**

BRANCHES AT

**Bangalore, Mumbai, Calcutta, Delhi,
Ghaziabad, Hyderabad & Chennai**

SHAREHOLDERS' INFORMATION

- Annual General Meeting -
Date, Time & Venue** : Wednesday, the 20th September, 2000 at 11.00 a.m.
Sathguru Gnanananda Hall (Narada Gana Sabha)
No.254, T.T.K.Road, Chennai 600 018.
- Dates of Book Closure** : 15.09.2000 to 20.09.2000 (both days inclusive)
on account of Annual General Meeting.
- Particulars of Listing at Stock Exchange** : Madras Stock Exchange Limited
Exchange Buildings
Post Box No.183
11, Second Line Beach
Chennai 600 001.
- Particulars of Payment of Listing Fees** : Listing fee for 2000-2001 has been paid to the
Madras Stock Exchange in which the Company's
Equity Shares are listed.
- Registrar and Share Transfer Agents** : In house Registry at:
The Secretarial Department
Amrutanjan Limited
Post Box No.612
No.42-45, Luz Church Road
Mylapore, Chennai 600 004.
Phones : 4994164/4994146/4994465/4994366
E-mail: shares@amrutanjan.com
- Share Transfer and other communication
relating to Share Certificates, Dividends
and Change of Address may be addressed to** : The Secretarial Department
Amrutanjan Limited
Post Box No.612
No.42-45, Luz Church Road
Mylapore, Chennai 600 004.

Amrutanjan Limited

NOTICE

NOTICE is hereby given that the Sixty Third Annual General Meeting of the members of Amrutanjan Limited will be held at Sathguru Gnanananda Hall (Narada Gana Sabha), No.254, T.T.K.Road, Chennai 600 018, on Wednesday, the 20th September, 2000 at 11.00 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2000 and the Profit and Loss Account for the year ended 31st March, 2000, Reports of the Directors and Auditors thereon.
2. To declare dividend on shares.
3. To appoint a Director in the place of Sri S.V. Subramaniam, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Sri D. Seetharama Rao, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditor or Auditors and to fix his or their remuneration.

Chennai
9.8.2000

By Order of the Board
For AMRUTANJAN LIMITED
S. Radhakrishna
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 15th September, 2000 to 20th September, 2000 (both days inclusive).
3. Dividend, upon its declaration at the meeting, will be paid to those members whose names appear in the Register of Members of the Company as on 20th September, 2000.
4. Pursuant to Section 205A of the Companies Act, 1956 all Unclaimed Dividends upto and inclusive of the Financial Year 1994-95 (31.3.1995) have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to submit their claims for dividend to the Registrar of Companies (Tamil Nadu), No.26, Haddows Road, Chennai 600 006.
5. Consequent upon amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C, by the Companies (Amendment) Act, 1999, the amount of Dividend for the subsequent years remaining unclaimed for a period of 7 (seven) years from the date of Transfer to Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund. Members who have not encashed the dividend warrant(s) for the Financial Year 1995-96 and any subsequent financial years are requested to make their claims to the Company.

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REPORT OF THE DIRECTORS TO THE MEMBERS

The Board of Directors of your Company have pleasure in presenting the Sixty Third Annual Report and Audited Accounts for the year ended 31st March, 2000.

01. FINANCIAL RESULTS	31.3.2000	31.3.1999
	Rs.	Rs.
Profit before Interest and Depreciation	11,34,18,771	10,34,38,379
Less: Interest	1,48,19,283	1,67,76,545
Depreciation	78,24,102	43,00,330
	2,26,43,385	2,10,76,875
Profit after Interest and Depreciation	9,07,75,386	8,23,61,504
Add/Less :Prior year adjustments and provisions (Net)	1,05,403	(5,44,821)
	9,08,80,789	8,18,16,683
Less: Provision for taxation	2,75,00,000	2,40,00,000
	6,33,80,789	5,78,16,683
Add: Transfer from Profit & Loss Account Surplus Opening Balance	3,00,51,469	2,17,74,786
Profit available for Appropriation	9,34,32,258	7,95,91,469
Appropriations:		
Debenture Redemption Reserve	25,00,000	25,00,000
General Reserve	5,00,00,000	4,00,00,000
Interim Dividend paid	32,00,000	16,00,000
Tax on Interim Dividend	3,52,000	1,60,000
Final Dividend - Proposed	40,00,000	48,00,000
Tax on Final Dividend	8,80,000	4,80,000
Balance Profit carried to Balance Sheet	3,25,00,258	3,00,51,469
	9,34,32,258	7,95,91,469

02. DIVIDEND

Considering the profits projected for 1999-2000, your Directors have declared a Tax-free Interim Dividend of 20% on the Equity Share Capital of Rs.1.60 crores, at its meeting held on 31st January, 2000. The Directors now recommend payment of a Tax-free Final Dividend of 25% for the year ended 31st March, 2000 on the Capital of Rs.1.60 crores.

03. REVIEW OF OPERATIONS

During the year under review, the sales of the Company amounted to Rs.6389.14 lakhs including Exports of Rs. 349.23 lakhs as against Rs.6007.12 lakhs in the previous year registering an increase of 6.35%. Profit after tax amounted to Rs.633.81 lakhs as against Rs.578.17 lakhs in the previous year. Additions to the extent of Rs.513.66 lakhs were made to the Fixed Assets during the year

04. PROSPECTS

Your Directors wish to inform you the turnover for the first quarter amounted to Rs.1085 lakhs (Rs. 1039 lakhs) and Profit before tax was Rs.99 lakhs (Rs. 83 lakhs) inspite of the lean season and hike in excise duty.

Amrutanjan Limited

Your Company has taken efforts to increase the product range within the existing business through R&D which is being expanded and hope to bring more products in the health care segment.

Major efforts were taken to give full thrust on exports and modalities for entering into long term contract through joint venture are being worked out for export of various products and also expanding its activities with term loan from banks.

Your Directors expect the prospects in the current year to be good. They hope that the Company will record a commendable performance.

05. FIXED DEPOSITS

As at 31st March, 2000, total deposits from Public and Shareholders amounted to Rs.219.30 lakhs. The Company deposited a sum of Rs.23.93 lakhs in accordance with rule 3A of the Company's (Acceptance of Deposits) Rules, 1975.

Out of the deposits which became due for repayment during the financial year, 21 deposits amounting to Rs.1,48,000/- remain unclaimed as on 31st March, 2000. Subsequently, the Company has repaid/renewed 4 deposits amounting to Rs.54,000/- and for the balance 17 deposits of Rs.94,000/- remaining unclaimed for which letters have been written to these depositors before and after the date of maturity asking them for instructions.

06. SUBSIDIARY COMPANIES

Amrutanjan Finance Limited could not do much business during the financial year in view of the unfavourable market conditions and also NBFC sector was badly hit on account of stringent norms imposed by Reserve Bank of India. It is considered as temporary decline in the performance last financial year. Subsequently, Reserve Bank of India relaxed its norms in June, 2000 and the Company has shown better performance in the first quarter of the current year. Your Directors are confident that the performance of this Company would be much better in the current financial year for which various measures have been taken in terms of increasing the business and cost reduction.

Amrutanjan Drugs and Chemicals Limited is working out ways and means for bringing the project.

Egattur Printing and Packaging Limited started showing substantial improvement in the current financial year. The Company has shown better performance in the first four months of the current financial year. Your Directors are confident that the performance of the Company would be made better in the current financial year for which various measures have been taken towards cost management and also getting business from various FMCG Companies during the current financial year.

The Directors Report, Auditors Report and Audited Balance Sheet of Subsidiary Companies viz., Amrutanjan Finance Limited, Amrutanjan Drugs and Chemicals Limited & Egattur Printing and Packaging Limited are attached to the Balance Sheet of the Company.

07. CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The particulars prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are furnished in the annexure to this report.

08. DIRECTORS

Sri. S.V. Subramaniam and Sri. D. Seetharama Rao retire by rotation and being eligible, offer themselves for re-appointment.

09. PERSONNEL

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is given in the annexure forming part of this report.

10. AUDITORS

The Auditors, M/s. P.S. Subramania Iyer & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and offer themselves for re-appointment. They have confirmed that they are eligible under Section 224(1B) of the Companies Act, 1956 for re-appointment.

11. STATUS OF Y2K COMPLIANCE

Transition to Y2K was smooth and no problem was encountered. The company did not spend any major amount in tackling the Y2K issue.

12. ACKNOWLEDGEMENT

Your Directors place on record their thanks to State Bank of India, The Dhanalakshmi Bank Limited, Indian Overseas Bank, The Federal Bank Limited and the concerned Departments of State and Central Government, Employees and Shareholders for their valuable assistance, support and co-operation to the Company.

Chennai
9.8.2000

S.V. Subramaniam
D. Seetharama Rao
Dr. Pasumarthi S.N. Murthi
R. Vijayaraghavan
Directors

S. Radhakrishna
Managing Director

Amrutanjan Limited

ANNEXURE TO THE REPORT OF THE DIRECTORS TO THE MEMBERS

INFORMATION IN ACCORDANCE WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

CONSERVATION OF ENERGY:

The operations of the Company are not energy intensive. However, your Company is constantly monitoring energy use and taking necessary energy conservation measures.

(A) POWER AND FUEL CONSUMPTION

		Year ended 31.3.2000 (Current Year)		Year ended 31.3.1999 (Previous Year)	
		OTC	FINE CHEMICALS	OTC	FINE CHEMICALS
1. Electricity :					
a) Purchased :					
Units		4,09,199	5,23,833	3,92,518	4,13,058
Total Amount	Rs.	19,88,802	20,16,757	17,66,412	12,84,012
Rate/Unit	Rs.	4.86	3.85	4.50	3.11
b) Own Generation:					
(i) Through Diesel Generator:					
Units		29,070	1,42,956	25,005	42,586
Cost/Unit	Rs.	4.12	4.65	3.45	4.92
(ii) Through Steam Generator:					
Units		54,834	-	20,655	-
Cost/Unit	Rs.	5.27	-	4.35	-
2. Coal:					
Qty.(Tonnes)		-	-	-	-
Total Cost		-	-	-	-
Average Cost		-	-	-	-
3. Furnace Oil:					
Qty. (K.Ltrs)		-	-	-	-
Total Amount		-	-	-	-
Average Rate		-	-	-	-
4. Others/Internal Generation:					
Qty.		-	-	-	-
Total Cost Rate/Unit		-	-	-	-

(B) CONSUMPTION PER UNIT OF PRODUCTION:

Products (with details) Unit	Standards (if any)	Year ended 31.3.2000 Rs.	Year ended 31.3.1999 Rs.
Electricity :			
Amrutanjan Pain Balm	(9 Gms)	1.09	0.85
Amrutanjan Maha Strong Pain Balm	(9 Gms)	0.80	0.65
Fine Chemicals	(One Ton)	36,892	45,376
Furnace Oil, Coal and Others :	-	-	-

ANNEXURE TO THE REPORT OF THE DIRECTORS TO THE MEMBERS

FORM B

(FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION)

I. RESEARCH & DEVELOPMENT**1. SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY**

- a. Development of process know-how for the manufacture of various drug intermediates and other fine chemicals involving multi step organic syntheses.
- b. Isolation of pure active ingredients from plant materials.
- c. Development of new OTC health care products based on Indian system of medicine.
- d. Custom Synthesis of low volume - high value chemicals.

2. BENEFITS OF R&D

The R&D Department has developed so far technical know-how for many chemicals which are required by users in Europe and USA. The processes are continuously being scaled up with the help of pilot plant set up with the various facilities enabled the R&D to develop various products.

The R&D Department is also actively engaged in improving the current technologies being followed in the plant by finding out additional parameters/changes which would result in the increase of yield for every batch without compromising the quality of the end product.

In addition the R&D Department is committed to developing new OTC Health Care Products. "Coldsnap" Gel and "Mridul" Cough Syrup, "Spring" Cream have been introduced in the market and there are plans to introduce more Health Care products such as "Flash" Pain Cream, Muscle Relaxant Cream, Chyavanprash Health Cookies, Ayurvedic Digestive Syrup, Uterine Tonic, Ayurvedic Dermal Cream etc.

Siddha medicines in capsule form for treating Diabetes, Menstrual Disorders and Tension are also in the pipeline. Introduction of these new product lines is sure to bring in additional turnover and profits to the Company.

3. PLANNING FOR THE FUTURE

- a. Actively assist the Company in diversification plans by developing newer technologies for many Fine Chemicals, Bulk Drugs and Drug Intermediates.
- b. Continuously offer technical assistance in the commercialisation activities of different products marketed by the Company.
- c. Engage in Custom Synthesis of Speciality Chemicals required by various clients.
- d. Identify, isolate and purify therapeutically useful compounds from plant sources.
- e. Develop new Ayurvedic and Allopathic Formulations for the OTC Health Care Division of the Company.

4. EXPENDITURE ON R&D

Rs. in lakhs

Capital	131.19
Recurring	76.89
Total	<u>208.08</u>

Total R&D expenditure as a percentage of total turnover 3.26 %

5. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

R&D Department helps in the absorption of the technologies which are developed in-house and those that are out-sourced. The Department plays a major role in the adaptation of the foreign technologies to suit our requirements. The innovative work done in some new special formulations is bound to bring good revenue for the Company.

II. FOREIGN EXCHANGE EARNINGS AND OUTGO

Rs. in lakhs

Total foreign exchange earnings	338.80
Total foreign exchange outgo	118.12

**INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE
COMPANIES (PARTICULARS OF EMPLOYEES) RULES AND FORMING PART OF THE
REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2000.**

Sl. No.	Name, Age and Nature of Employment	Designation/ Nature of Duties	Gross Remuneration (in Rs.)	Qualification	Experience (in years)	Date of Commencement of Employment	Particulars of last employment
1.	Sri S. Radhakrishna (67) Contractual	Managing Director (Management of whole affairs of the Company)	19,63,657	M.A. (Chem)	40	01.06.1989	Managing Director M/s. Nageswara Rao Estates Pvt. Ltd.
2.	Sri P. Easwaradas (49) Non-Contractual	Executive Vice-President (OTC)	6,69,303	B. Com.	28	01.03.1996	Vice President (Marketing) G.M. Pens (Int.) Pvt. Ltd., Chennai.

- Note: a. Remuneration received includes salary, commission, taxable perquisites and company's contribution to Provident Fund and Superannuation Fund and does not include gratuity paid or provided.
- b. Nature of employment and terms and conditions of services in the case of Sri S. Radhakrishna are governed by Schedule XIII of the Companies Act, 1956.
- c. Sri S. Radhakrishna, Managing Director is related to Dr. Pasumarthi S.N. Murthi, Sri D. Seetharama Rao and Sri S. Sambhuprasad, Directors of the Company.

AMRUTANJAN LIMITED

TEN YEAR RECORD

(Rupees in Lakhs)

PARTICULARS	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Sales	6,389.15	6,007.12	5,183.92	3,851.36	3,198.07	3,040.46	3,006.53	2,954.39	2,391.13	1,868.46
Employees' Salaries, Amenities etc.	648.32	580.83	453.17	358.24	363.45	329.26	261.31	235.56	201.52	182.07
Profit Before Tax	908.81	818.17	647.74	67.31	7.55	79.33	127.58	137.44	129.69	89.24
Provision for Taxation	275.00	240.00	150.00	5.00	-	10.00	31.00	54.00	67.00	46.00
Retained Fund	633.81	578.17	497.74	62.31	7.55	69.33	96.58	83.44	62.69	43.24
Dividend	72.00	64.00	40.00	32.00	32.00	32.00	32.00	28.80	21.60	18.00
Fixed Assets & Investments	1,763.57	1,209.41	747.32	615.86	521.19	430.23	331.18	227.63	171.62	140.53
Net Current Assets	1,073.30	1,248.16	927.11	561.89	678.99	823.85	577.34	465.18	358.45	310.92
Total Assets	2,836.87	2,457.57	1,674.43	1,177.75	1,200.18	1,254.08	908.52	692.81	530.07	451.45
Represented by:										
Share Capital	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	120.00	120.00
Reserves	1,800.00	1,250.51	742.75	289.00	261.89	286.34	249.20	184.62	174.76	132.24
Shareholders Interest (Net Worth)	1,960.00	1,410.51	902.75	449.00	421.89	446.34	409.20	344.62	294.76	252.24
Loans	876.87	1,047.06	771.68	728.75	778.29	807.74	499.32	348.19	235.31	199.21
Total	2,836.87	2,457.57	1,674.43	1,177.75	1,200.18	1,254.08	908.52	692.81	530.07	451.45

Amrutanjan Limited

AUDITORS' REPORT

To the Members of Amrutanjan Limited,

We have audited the attached Balance Sheet of M/s. Amrutanjan Limited, Chennai, as at 31st March, 2000 and also the annexed Profit and Loss Account for the year ended on that date and report as under:

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - 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 accounts 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 referred to in the report are in agreement with the books of accounts of the Company.
 - d. In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 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, read with Note no.5 regarding valuation of inventories and its effect on the profits and Note no.9 regarding investment in subsidiary companies and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and a fair view:
 - (i) in the case of the Balance Sheet, of the state of the 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.

109/2, St. Mary's Road,
(1st Floor),
Chennai 600 018.
9.8.2000.

For **P.S. SUBRAMANIA IYER & CO.**
Chartered Accountants
N. Srinivasan
Partner

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

01. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, the Company has a system of physical verification, which is designed to cover all assets over a period of two years and in accordance therewith, physical verification of major portion of fixed assets of the Company was carried out during the year. In our opinion, the frequency of physical verification is reasonable. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
02. There was no revaluation of the Fixed Assets during the year.
03. Physical verification has been conducted by the management at reasonable periods in respect of finished goods, stores, spare parts and raw materials. In our opinion, the frequency of verification is reasonable.
04. According to the information and explanations given to us, in our opinion, the procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
05. Physical verification has been conducted by the Management at reasonable periods in respect of finished goods, stores, spare parts and raw materials and no material discrepancies noticed on such verification as compared to book records.
06. In our opinion, on the basis of our examination of stock records, the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year other than the changes stated in Note No.5 and 6 in Schedule 19 to the accounts.

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07. The company has not taken any loan secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
 08. The Company has granted loans to its subsidiaries and others. The terms and conditions of such loans are not prima facie prejudicial to the interest of the Company. Interest has been charged on certain specific loans.
 09. In respect of loans and advances in the nature of loans given by the Company to the employees and others, they are repaying the principal amounts as stipulated and where such payments are not received, reasonable steps have been taken by the Company for recovery.
 10. In our opinion and according to the information and explanations given, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of goods, stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.
 11. In our opinion and according to the information and explanations given to us, the transactions for purchase of goods and materials/services and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, and aggregating during the period to Rs.50,000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services, where such market prices are available with the Companies or the prices at which transactions for similar goods or services have been made with other parties.
 12. As explained to us, unserviceable or damaged stores, raw materials and finished goods were determined by the Management and adequate provisions for loss have been made in the accounts.
 13. The Company has accepted Fixed Deposits from the Public and it has complied with the provisions of Sec.58-A of the Companies Act, 1956 and the Rules framed thereunder wherever applicable.
 14. The Company is, in our opinion, maintaining reasonable records for the sale and disposal of the realisable scrap. We are informed that no realisable by-products are generated by the Company's operations.
 15. In our opinion, the Company has an adequate internal audit system commensurate with its size and the nature of its business.
 16. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
 17. The Company is regular in depositing Employees' State Insurance and Provident Fund dues with the appropriate authorities.
 18. According to the information and explanations given to us, there were 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 of more than six months from the date they became payable.
 19. According to the information and explanations given to us and the records of the Company examined by us, no personal expenses have been charged to Revenue Account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
 20. The Company is not a Sick Industrial Company within the meaning of Clause (o) of Sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
 21. As explained to us, in respect of the trading activities of the company, damaged goods have been determined and provision for loss has been made where necessary.

109/2, St. Mary's Road,
(1st Floor),
Chennai 600 018.
9.8.2000.

For **P.S. SUBRAMANIA IYER & CO.**
Chartered Accountants
N.Srinivasan
Partner

Amrutanjan Limited

BALANCE SHEET AS AT 31ST MARCH, 2000

	Schedule No.	31st March, 2000 Rs.	31st March, 1999 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,60,00,000	1,60,00,000
Reserves and Surplus	2	18,00,00,258	12,50,51,469
		19,60,00,258	14,10,51,469
Loan Funds			
Secured Loans	3	6,57,57,303	8,44,73,246
Unsecured Loans	4	2,19,30,000	2,02,33,000
		8,76,87,303	10,47,06,246
Total		28,36,87,561	24,57,57,715
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	16,46,32,379	11,61,42,925
Less: Depreciation		4,35,56,748	3,80,66,103
Net Block		12,10,75,631	7,80,76,822
Capital Work-in-Progress		2,12,46,433	1,88,11,376
		14,23,22,064	9,68,88,198
Investments			
Current Assets, Loans and Advances			
Inventories	7	4,01,07,522	3,67,92,792
Sundry Debtors	8	6,35,78,030	7,10,16,684
Cash & Bank Balances	9	3,30,15,343	3,20,39,933
Interest Accrued		2,41,465	-
Loans & Advances	10	91,71,079	3,10,51,259
		14,61,13,439	17,09,00,668
Less: Current Liabilities and Provisions			
Current Liabilities	11	3,94,19,749	4,53,37,610
Provisions	12	69,99,756	84,85,767
		4,64,19,505	5,38,23,377
Net Current Assets		9,96,93,934	11,70,77,291
Miscellaneous Expenditure			
(To the extent not written off or adjusted)			
Deferred Revenue Expenditure (Note 7)		76,36,635	77,39,179
Total		28,36,87,561	24,57,57,715
Notes on Accounts	19		

Schedules referred to and the accompanying notes form an integral part of the Balance Sheet

Chennai 9.8.2000	As per our Report of even date For P.S.Subramania Iyer & Co. Chartered Accountants N. Srinivasan Partner	S. Radhakrishna Managing Director S. Muralidharan Secretary	S.V. Subramaniam Dr. Pasumarthi S.N. Murthi D. Seetharama Rao R. Vijayaraghavan Directors
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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2000

	Schedule No.	31st March, 2000 Rs.	31st March, 1999 Rs.
INCOME			
Sales	13	63,89,14,585	60,07,11,870
Other Income	14	<u>74,53,481</u>	<u>62,66,840</u>
		64,63,68,066	60,69,78,710
EXPENDITURE			
Cost of Materials Consumed	15	22,53,33,494	22,11,02,684
Employees' Remuneration and Benefits	16	6,48,31,864	5,84,49,376
Interest	17	1,48,19,283	1,67,76,545
Other Expenses	18	24,27,83,937	22,39,88,271
Depreciation		<u>78,24,102</u>	<u>43,00,330</u>
		55,55,92,680	52,46,17,206
Profit for the year		9,07,75,386	8,23,61,504
Prior Year Adjustments (net)		3,25,444	5,65,889
Profit before Tax		9,11,00,830	8,29,27,393
Provision for Taxation		(2,75,00,000)	(2,40,00,000)
Provision for Investments		(18,119)	-
Short Provision of I.T. of earlier years		(2,01,922)	(11,10,710)
Profit after Tax		6,33,80,789	5,78,16,683
Surplus from previous year		3,00,51,469	2,17,74,786
Profits for Appropriation		<u>9,34,32,258</u>	<u>7,95,91,469</u>
APPROPRIATION			
Debenture Redemption Reserve		25,00,000	25,00,000
General Reserve		5,00,00,000	4,00,00,000
Interim Dividend - Paid		32,00,000	16,00,000
Tax on Interim Dividend		3,52,000	1,60,000
Final Dividend - Proposed		40,00,000	48,00,000
Tax on Proposed Final Dividend		8,80,000	4,80,000
		<u>6,09,32,000</u>	<u>4,95,40,000</u>
Balance Profit carried to Balance Sheet		<u>3,25,00,258</u>	<u>3,00,51,469</u>
		<u>9,34,32,258</u>	<u>7,95,91,469</u>
Notes on Accounts	19		

Schedules referred to and the accompanying notes form an integral part of the Profit and Loss Account

	As per our Report of even date For P.S.Subramania Iyer & Co. Chartered Accountants	S. Radhakrishna Managing Director S. Muralidharan Secretary	S.V. Subramaniam Dr. Pasumarthi S.N. Murthi D. Seetharama Rao R. Vijayaraghavan Directors
Chennai 9.8.2000	N. Srinivasan Partner		

Amrutanjan Limited

SCHEDULES TO BALANCE SHEET

	31st March, 2000 Rs.	31st March, 1999 Rs.	
SCHEDULE-1			
SHARE CAPITAL			
Authorised			
50,00,000 Equity Shares of Rs.10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>	
Issued, Subscribed & Paid-up			
16,00,000 Equity Shares of Rs.10/- each fully paid-up	<u>1,60,00,000</u>	<u>1,60,00,000</u>	
Of the above Shares:			
25,000 Equity Shares were issued as fully paid-up to the vendors without payment being received in cash and 15,45,000 Equity Shares were allotted as fully paid-up Bonus Shares by capitalisation of Reserves			
SCHEDULE-2			
RESERVES AND SURPLUS			
	As at 31-3-1999 Rs.	Additions during the year Rs.	As at 31-3-2000 Rs.
Debenture Redemption Reserve	50,00,000	25,00,000	75,00,000
General Reserve	9,00,00,000	5,00,00,000	14,00,00,000
Profit & Loss Account Surplus	<u>3,00,51,469</u>	<u>24,48,789</u>	3,25,00,258
	<u>12,50,51,469</u>	<u>5,49,48,789</u>	18,00,00,258
SCHEDULE-3			
SECURED LOANS			
17% Secured Redeemable Non-Convertible Debentures (Secured by deposit of title deeds of specific immovable property and redeemable, at par in four equal instalments from Sep'2000 to Dec'2000)	1,50,00,000	1,50,00,000	
Term Loan from Banks (Secured by charge on machinery purchased under the above loan and equitable mortgage by deposit of title deeds of specific immovable properties and personal guarantee of Managing Director)	3,15,81,347	1,78,16,729	
Interest accrued thereon	6,62,728	5,48,180	
Term Loan from Financial Institution (Secured by charge on machinery purchased under the above loan)	27,94,296	50,52,394	
Cash Credits from Banks (Secured by hypothecation of Raw & Packing Materials, Finished Goods and Books Debts of the Company, Personal guarantee of Managing Director and by way of equitable mortgage by deposit of title deeds of specific immovable properties and a charge on specific machinery)	1,57,18,932	4,03,14,555	
Hire Purchase Loans (Secured by hypothecation of assets under H.P.Agreement)	-	57,41,388	
	<u>6,57,57,303</u> *	<u>8,44,73,246</u> *	
(*) Includes Rs.238.46 lakhs (Rs. 112.06 lakhs) due for repayment within one year			
SCHEDULE-4			
UNSECURED LOANS			
Fixed Deposits	<u>2,19,30,000</u>	<u>2,02,33,000</u>	
	<u>2,19,30,000</u> *	<u>2,02,33,000</u> *	
(*) Includes Rs.14,65,000 (Rs.12,50,000) held by Directors			

Amrutanjan Limited

SCHEDULE - 5 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on	Addition	Deletion	As on	As on	Addition	Deletion	As on	As on	As on
	31-03-99			31-03-2000	31-03-99			31-03-2000	31-03-2000	31-03-2000
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Goodwill	25,000	-	-	25,000	-	-	-	-	25,000	25,000
Land	57,93,596	-	-	57,93,596	-	-	-	-	57,93,596	57,93,596
Buildings	1,02,04,534	1,88,39,124	-	2,90,43,658	36,23,909	4,86,812	-	41,10,721	2,49,32,937	65,80,625
Leasehold Property	70,000	-	-	70,000	47,461	1,127	-	48,588	21,412	22,539
Plant & Machinery	2,36,49,196	1,67,55,056	-	4,04,04,252	78,76,923	17,40,328	-	96,17,251	3,07,87,001	1,57,72,273
Furniture, Fixtures & Equipments	62,48,754	4,62,591	-	67,11,345	35,39,432	4,34,722	-	39,74,154	27,37,191	27,09,322
Vehicles	26,64,677	21,90,310	3,97,913	44,57,074	20,70,152	2,10,357	15,652	22,64,857	21,92,217	5,94,525
Research & Development Block										
Buildings	81,79,359	28,03,402	-	1,09,82,761	25,79,324	3,16,443	-	28,95,767	80,86,994	56,00,035
Plant & Machinery	2,33,98,283	32,57,472	16,99,458	2,49,56,297	99,23,747	9,01,190	16,10,994	92,13,943	1,57,42,354	1,34,74,536
Pilot Plant	3,20,11,173	61,50,476	7,79,545	3,73,82,104	59,46,618	34,30,927	7,06,811	86,70,734	2,87,11,370	2,60,64,555
Lab Equipments- Furniture & Fixtures	38,98,353	9,07,939	-	48,06,292	24,58,537	3,02,196	-	27,60,733	20,45,559	14,39,816
Total	11,61,42,925	5,13,66,370	28,76,916	16,46,32,379	3,80,66,103	78,24,102	23,33,457	4,35,56,748	12,10,75,631	7,80,76,822
As per last Balance Sheet	9,30,89,261	2,37,11,441	6,57,777	11,61,42,925	3,44,23,549	43,00,330	6,57,776	3,80,66,103	7,80,76,822	5,86,65,712
Capital Work-in-Progress (includes Capital Advances of Rs. 1,49,17,480/-)									2,12,46,433	1,88,11,376

Amrutanjan Limited

SCHEDULES TO BALANCE SHEET

	Face Value Rs.	31st March, 2000 Rs.	31st March, 1999 Rs.
SCHEDULE-6			
INVESTMENTS (AT COST)			
LONG TERM INVESTMENTS			
Non-trade Investments (Unquoted):			
National Savings Certificates (Deposited with the Collector of Central Excise, Chennai)	5,500	5,500	5,500
National Savings Certificates	1,000	1,000	1,000
500 13 % Bonds of State Bank of India of Rs.1,000/- each fully paid.	5,00,000	5,00,000	5,00,000
500 16.75% Bonds of The Dhanalakshmi Bank Ltd. of Rs.1000/- each fully paid.	5,00,000	5,00,000	5,00,000
5 Equity Shares in Capexil (Agencies) Ltd. of Rs.1000/- each fully paid.	5,000	5,000	5,000
Non-trade Investments (Quoted):			
21,450 Equity Shares in Saha Keil Ltd. of Rs.10/- each fully paid (Cost less Provision for diminution Rs.1,93,050)	2,14,500	-	6,435
100 6 % Cumulative Preference Shares in Metal Box Limited of Rs.100/- each fully paid (Cost less Provision for diminution Rs.11,684)	10,000	-	11,684
Investments in Subsidiaries (Unquoted) :			
24,04,407 Equity Shares in Amrutanjan Finance Limited of Rs.10/- each fully paid (10,00,000 shares subscribed during the year)	2,40,44,070	2,50,11,428	1,50,11,428
2,400 Equity Shares in Amrutanjan Drugs & Chemicals Limited of Rs.10/- each fully paid, out of which 300 fully paid-up equity shares are held in the names of Nominees	24,000	24,000	24,000
7,98,800 Equity Shares in Egattur Printing & Packaging Ltd. of Rs.10/- each fully paid	79,88,000	79,88,000	79,88,000
		<u>3,40,34,928</u>	<u>2,40,53,047</u>
Quoted Investments - Cost		2,04,734	2,04,734
- Market Value		-	18,119
Unquoted Investments - Cost		3,40,34,928	2,40,34,928
SCHEDULE-7			
INVENTORIES			
Stock on hand (as per Inventories taken, valued as per accounting policy and certified by the Area Managers and Managing Director)			
Raw Materials		1,53,14,096	1,01,66,315
Packing Materials		42,87,085	36,45,249
Process Stock		45,35,495	66,08,858
Finished Stock		1,59,70,846	1,63,72,370
		<u>4,01,07,522</u>	<u>3,67,92,792</u>

SCHEDULES TO BALANCE SHEET

	31st March, 2000 Rs.	31st March, 1999 Rs.
SCHEDULE-8		
SUNDRY DEBTORS (Unsecured)		
Over six months :		
Considered good	44,60,879	24,68,533
Considered doubtful	46,94,515	29,66,367
	91,55,394	54,34,900
Less: Provision for doubtful debts	46,94,515	29,66,367
	44,60,879	24,68,533
Others, considered good	5,91,17,151	6,85,48,151
	<u>6,35,78,030</u>	<u>7,10,16,684</u>
SCHEDULE-9		
CASH AND BANK BALANCES		
Cash in hand	2,99,720	1,93,770
Cheques in hand and in transit	1,31,04,974	46,49,009
Balance with Scheduled Banks:		
In Current Accounts (including Rs.4,74,971/- (Rs.3,63,532/-) in Unclaimed Dividend A/c.)	1,60,40,325	2,21,51,620
In Deposit Accounts [including Rs.12,07,074/- (Rs. 24,91,534/-) lodged with Bank as security for Guarantees issued]	35,40,324	47,66,534
In Deposit Account with HDFC	30,000	2,79,000
	<u>3,30,15,343</u>	<u>3,20,39,933</u>
SCHEDULE-10		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in Cash or in kind for value to be received	74,19,458	1,49,27,097
Advance to Subsidiary Companies (Partly Secured)	-	1,46,84,384
Deposits	17,51,621	14,39,778
	<u>91,71,079</u>	<u>3,10,51,259</u>
SCHEDULE-11		
CURRENT LIABILITIES		
Creditors for Purchases		
-SSI units	11,97,616	34,85,066
- Others	39,69,935	1,17,45,773
Creditors for Expenses (including Rs. 13,48,364/- (Rs. 8,07,492/-) due to Managing Director)	2,10,05,148	2,07,86,606
Creditors for Capital Goods	42,50,501	20,35,427
Unclaimed Dividend	4,74,971	3,63,532
Other Liabilities	74,13,065	62,52,428
Interest accrued but not due	11,08,513	6,68,778
	<u>3,94,19,749</u>	<u>4,53,37,610</u>
SCHEDULE-12		
PROVISIONS		
Provision for Taxation (Net of Advance payments, TDS)	15,78,938	28,63,302
Provision for Employee Retirement Benefits	5,40,818	3,42,465
Proposed Dividend	40,00,000	48,00,000
Tax on Dividend	8,80,000	4,80,000
	<u>69,99,756</u>	<u>84,85,767</u>

Amrutanjan Limited

SCHEDULES TO PROFIT & LOSS ACCOUNT

	31st March, 2000 Rs.	31st March, 1999 Rs.
SCHEDULE-13		
SALES		
OTC products	56,42,50,386	54,71,66,790
Chemicals	<u>7,46,64,199</u>	<u>5,35,45,080</u>
	<u>63,89,14,585</u>	<u>60,07,11,870</u>
SCHEDULE-14		
OTHER INCOME		
Income from Investments (TDS Rs. 33,876/-)	1,78,464	1,98,240
Interest - Bank Deposits (TDS Rs.54,138/-)	5,19,319	4,71,191
Interest - Others (TDS Rs. 5,30,610/-)	24,48,983	21,76,228
Insurance Claims	20,17,859	92,711
Rent receipts (TDS Rs. 79,200/-)	4,77,000	4,06,330
Scrap sales	6,75,072	7,32,169
Profit on Sale of Assets	1,06,981	13,67,297
Sundry balances written back (Net)	6,54,167	6,86,901
Miscellaneous Receipts	<u>3,75,636</u>	<u>1,35,773</u>
	<u>74,53,481</u>	<u>62,66,840</u>
SCHEDULE-15		
COST OF MATERIALS CONSUMED		
Opening Stock :		
Raw Materials	1,01,66,315	1,20,16,628
Packing Materials	<u>36,45,249</u>	<u>35,79,663</u>
	1,38,11,564	1,55,96,291
Add: Purchases :		
Raw Materials	12,22,53,591	11,57,48,662
Packing Materials	<u>8,28,17,697</u>	<u>8,29,15,179</u>
	<u>20,50,71,288</u>	<u>19,86,63,841</u>
	21,88,82,852	21,42,60,132
Less: Closing Stock :		
Raw Materials	1,53,14,096	1,01,66,315
Packing Materials	<u>42,87,085</u>	<u>36,45,249</u>
	<u>1,96,01,181</u>	<u>1,38,11,564</u>
Consumption of Raw & Packing Materials	19,92,81,671	20,04,48,568
Add : Processing Charges	34,93,232	35,99,566
Add : Products Purchased	2,00,83,704	2,06,19,038
Stock Adjustments	<u>24,74,887</u>	<u>(35,64,488)</u>
	<u>22,53,33,494</u>	<u>22,11,02,684</u>
(INCREASE) / DECREASE IN STOCK		
Opening Stock		
Finished Goods	1,63,72,370	1,28,26,479
Process Stock	<u>66,08,858</u>	<u>65,90,261</u>
	<u>2,29,81,228</u>	<u>1,94,16,740</u>
Closing Stock		
Finished Goods	1,59,70,846	1,63,72,370
Process Stock	<u>45,35,495</u>	<u>66,08,858</u>
	<u>2,05,06,341</u>	<u>2,29,81,228</u>
	<u>24,74,887</u>	<u>(35,64,488)</u>

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SCHEDULES TO PROFIT & LOSS ACCOUNT

	31st March, 2000 Rs.	31st March, 1999 Rs.
SCHEDULE-16		
EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	4,75,28,735	4,33,10,016
Managing Director's Remuneration & Commission	25,79,687	17,28,558
Contribution to Employees Provident, Gratuity and Other Funds	1,08,70,323	92,91,347
Welfare Expenditure	<u>38,53,119</u>	<u>41,19,455</u>
	6,48,31,864	5,84,49,376
SCHEDULE-17		
INTEREST		
Debentures and Other Fixed Loans	1,14,94,000	94,53,261
Others	<u>33,25,283</u>	<u>73,23,284</u>
	1,48,19,283	1,67,76,545
SCHEDULE-18		
OTHER EXPENSES		
Power & Fuel	63,04,576	43,16,461
Repairs & Maintenance :		
Building	21,04,213	4,32,071
Machinery	21,73,132	14,16,871
Others	15,69,988	17,79,821
Freight and Transport Charges	1,03,25,607	95,51,344
Advertisement	4,74,68,802	5,21,75,669
Selling Expenses	2,54,85,620	1,83,34,574
Commission on sales	2,54,584	1,68,174
Bad Debts written off (Net)	14,83,327	41,88,116
Rates and Taxes:		
Sales Tax	4,69,64,467	4,26,04,350
Excise Duty	4,53,54,613	3,81,34,475
Others	24,81,370	25,89,616
Insurance	20,74,774	19,39,802
Travelling Expenses	1,28,37,919	1,19,38,451
Conveyance	13,89,731	14,28,366
Rent	10,78,245	7,66,484
Printing & Stationery	18,66,593	16,98,075
Postage & Telegrams	14,42,471	15,84,361
Communication Expenses	43,58,727	51,67,480
Legal Expenses	2,87,161	2,94,086
Research & Development Expenses (Note 12)	76,89,156	68,31,542
Lease Rentals	16,72,190	21,69,936
Bank Charges	38,14,189	37,49,311
Donations	9,77,574	7,27,000
Auditor's Remuneration :		
Audit Fees	1,25,000	1,00,000
Tax Audit	35,000	30,000
Tax Representation	-	35,000
Certification	-	46,500
Others - Service Tax	13,000	1,500
Directors Sitting Fees	71,000	46,500
Provision for doubtful debts	17,28,148	29,66,367
Loss on Fixed Assets sold/discarded	2,82,440	-
Miscellaneous Expenses	<u>90,70,320</u>	<u>67,75,968</u>
	24,27,83,937	22,39,88,271

Amrutanjan Limited

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2000

SCHEDULE - 19

1. ACCOUNTING POLICIES

- a. Accrual system of accounting is followed to record incomes and expenditure, excepting in the areas herein specifically mentioned.
- b. All Fixed Assets are valued at cost less depreciation. Depreciation is provided on written down value method except on Plant & Machinery acquired after April 1, 1992, which is provided on straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956. Additions made during the year are depreciated on pro-rata from the date of addition. Freehold Lands and Goodwill are not depreciated.
- c. Raw Materials and Packing Materials are valued at weighted average cost. Finished Stock and Process Stocks are valued at lower of cost or net realisable value.
- d. Investments in Subsidiary Companies are long term investments and are carried at cost. Other investments are carried at lower of cost or realisable value. Provision for diminution in value is made wherever necessary in accordance with the mandatory Accounting Standard.
- e. Research & Development costs not resulting in any tangible property/equipment are charged as an expense in the year in which they are incurred.
- f. Insurance on Company's properties, immovable and movable is on reinstatement value basis.
- g. Insurance claims and scrap sales proceeds are accounted on cash basis.
- h. Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Gains/ losses, if any, arising therefrom are recognised in the Profit & Loss A/c.
- i. Retirement benefits in the form of Provident Fund, Gratuity and Superannuation Schemes is accounted and charged to the Profit & Loss account. Provision for Leave Encashment is determined and provided on the basis of an actuarial valuation.

2. CONTINGENT LIABILITIES

- a. Bonds executed in favour of Collector of Central Excise, Chennai - Rs. 50,000/- (Rs. 25,000/-)
- b. Guarantees/Letter of Credit issued on behalf of the Company by Banks - Rs. 48,84,141/- (Rs.29,99,208/-)
- c. Guarantees given to Banks on behalf of Amrutanjan Finance Limited - Rs. 2,15,00,000/- (Rs. 2,15,00,000/-) and guarantees given to Financial Institution/Bank on behalf of Egattur Printing and Packaging Limited Rs. 1,31,00,000/- (Rs. 1,31,00,000/-)
- d. Bills discounted by the Company Rs.27,92,894/- (Rs.59,51,904/-)
- e. Appeals filed in respect of disputed demands:

	1999-2000	1998-1999
Income Tax	Rs. 16,26,014	34,86,116
Urban Land Tax	Rs. 5,77,555	5,07,826
Excise Duty	Rs. 8,68,503	8,68,503
3. a. Estimated amount of capital expenditure commitments Rs.34,00,000/- (Rs. 40,00,000/-)
- b. Lease Rentals payable in future is Rs. NIL- (Rs. 32,87,799/-)
4. Claims against the Company not acknowledged as debts are Rs. 10,48,350/- (Rs. 10,48,350/-)
5. The basis of valuation of inventories has been refined during the year to conform to the revised Accounting Standard on Valuation of Inventories issued by the Institute of Chartered Accountants of India, effective from 1st April 1999. As a result of the above, the valuation of inventories and the profit for the year is lower by Rs.53,64,121/-
6. In view of the revised Guidance Note on Accounting Treatment of Excise Duty issued by the Institute of Chartered Accountants of India, effective from 1st April 1999, the Company has provided liability for excise duty of Rs.3,41,460/- payable on goods held in bond at the year end and included the same in the valuation of inventories at the year end This has no effect on the profit for the year.

7. Deferred Revenue expenditure to the extent not written off comprises balance of advertisement expenses incurred towards advertisement film production cost including Rs.43.40 lakhs(Rs.66.56 lakhs) deferred out of expenses incurred during the year. Such expenditure is, in the opinion of the management, expected to derive benefits in the foreseeable future and is being deferred for a period of 3 years and accordingly Rs.44.43 lakhs (Rs.45.19 lakhs) has been charged to revenue account.
8. Names of Small Scale Industrial Undertakings to whom an amount of Rs. 1.00 lakh or more was payable and outstanding for more than 30 days within the agreed terms are as under:
- D.V. Deo & Co.
 - Wax Oils Private Limited
9. Investment in Subsidiary Companies:
In view of the long term involvement of the Company in the subsidiary companies i.e., Amrutanjan Finance Limited and Egattur Printing & Packaging Limited, the reduction in book value of investments due to losses incurred over the past two years, is of temporary nature as perceived by the management. Hence, no provision is considered necessary for the diminution in the value of aforesaid investments.

10. MANAGING DIRECTOR'S REMUNERATION	31-03-2000	31-03-1999
	Rs.	Rs.
Salary	3,56,000	3,32,000
Contribution to Gratuity Fund	35,500	22,400
Contribution to Superannuation Fund	95,580	84,240
Other Perquisites	1,97,996	1,42,426
Commission as per computation below	<u>13,14,081</u>	<u>7,81,492</u>
	<u>19,99,157</u>	<u>13,62,558</u>
Guarantee Commission	5,80,530	3,66,000
Computation of commission payable to Managing Director under Section 349 of the Companies Act, 1956 :	Rs.	Rs.
Profit for the year before tax as per Profit & Loss A/c.		9,11,00,830
Add: Depreciation as per Profit & Loss A/c.	78,24,102	
Profit on sale of assets as per Section 349 of the Companies Act, 1956	579	
Directors Sitting Fees	71,000	
Remuneration to Managing Director	19,99,157	
Deferred Revenue Expenditure (Net)	<u>1,02,544</u>	<u>99,97,382</u>
		10,10,98,212
Less : Depreciation u/s 350 of the Companies Act, 1956	1,33,85,810	
Profit on sale of assets as per Profit & Loss A/c.	<u>1,06,981</u>	<u>1,34,92,791</u>
Profit available for payment of commission		<u>8,76,05,421</u>
Commission @ 1.5%		13,14,081

11. Retainer Fee paid to Technical Advisor Rs. 60,000/- (Rs. 60,000/-).

12. Research & Development expenses incurred:	31-3-2000	31-3-1999
	Rs.	Rs.
Materials & Consumables	15,22,994	12,66,162
Salaries, Bonus etc.	35,15,464	26,41,112
Power & Fuel	13,02,335	11,41,928
Travelling, Printing & Stationery etc.	<u>13,48,363</u>	<u>17,82,340</u>
	<u>76,89,156</u>	<u>68,31,542</u>

13. The Government of Tamilnadu has withdrawn the acquisition proceedings during the year against the land purchased and registered at Sholinganallur in favour of the Company.

14. Production, Purchases, Turnover & Stock

Class of Goods	Unit	Opening Stock				Closing Stock				Turnover (net of sales returns)				Production / Purchases	
		As at 31.3.2000		As at 31.3.1999		As at 31.3.2000		As at 31.3.1999		1999-2000		1998-1999		1999-2000	1998-1999
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Qty.
AMRUTANJAN PAIN BALM	(Tons)	13.064	75,89,678	12,410	80,81,994	19,466	88,23,684	13,064	75,89,678	508.044	51,92,72,199	511.475	49,76,59,750	514.446	512.129
INHALER & OTHERS	(Tons)	3.999	32,00,934	1,868	21,61,593	10,507	33,55,949	3,999	32,00,934	16.681	1,97,28,847	13,201	2,12,70,588	23.189	15.332
AGENCY PRODUCTS	(Tons)	15.130	12,73,095	19,120	15,11,270	36,558	32,23,698	15,130	12,73,095	199.883	2,52,49,340	227.221	2,82,36,452	221.311	223.231
CHEMICALS	(Tons)	6.236	43,08,663	1,055	10,71,622	0.992	5,67,515	6,236	43,08,663	77.651	7,46,64,199	50,331	5,35,45,080	72.407	55.512
			1,63,72,370		1,28,26,479		1,59,70,846		1,63,72,370		63,89,14,585		60,07,11,870		

		1999 - 2000		1998 - 1999	
		Rs.		Rs.	
15. Details of Raw Materials Consumed:					
	Quantity	Value (Rs.)		Quantity	Value (Rs.)
Karpoor Powder (Tons)	35.987	37,80,666		36.572	42,74,246
Pudina Ka Phool (Tons)	50.897	3,06,41,973		49.746	2,49,62,874
Nilgiri Ka Tel (Tons)	50.502	1,25,50,864		51.423	1,07,38,737
Winter Green Tel (Tons)	56.054	54,61,343		55.510	56,31,468
Chaha Ka Tel (Tons)	17.339	86,68,990		17.788	92,16,898
Solvents (Litres in '000s)	527.793	56,01,068		365.820	45,02,518
Chemicals (Tons)	351.384	2,64,61,195		277.738	3,61,51,320
Others		<u>2,39,39,711</u>			<u>2,21,20,914</u>
		<u>11,71,05,810</u>			<u>11,75,98,975</u>
16. Earnings in Foreign Exchange:(on Accrual basis)					
		1999 - 2000		1998 - 1999	
		Rs.		Rs.	
Export Sales (F.O.B. Value)		3,38,80,303		3,83,86,217	
17. Value of imports on C.I.F. basis:					
a. Raw Materials		1,00,88,469		1,71,72,473	
b. Capital Goods		-		6,92,212	
18. Expenditure in Foreign Currency:(on remittance basis)					
a. Travelling Expenses		14,82,905		8,36,774	
b. Other matters		2,40,419		1,99,729	
19. Raw Materials Consumed:					
		1999 - 2000		1998 - 1999	
		Percentage	Value (Rs.)	Percentage	Value (Rs.)
a. Imported		6.54	76,64,537	15.79	1,85,64,190
b. Indigenous		93.46	10,94,41,273	84.21	9,90,34,785
			<u>11,71,05,810</u>		<u>11,75,98,975</u>
		1999-2000		1998-1999	
		(Rs.)		(Rs.)	
20. Products Purchased:		2,00,83,704		2,06,19,038	
21. The Company has made a smooth transition to the new millennium and exposure to Y2K problem were overcome without any problem.					

Amrutanjan Limited

22. Installed & Licensed Capacity:

A. CHENNAI

Product Name :

- | | | |
|----|---|------------------|
| 1. | Amrutanjan Pain Balm (Ayurvedic),
Hero Super Balm and Dragon Liquid Balm | 403 Metric Tons. |
| 2. | Amrutanjan Inhaler (Ayurvedic) | 20 Lakhs Units. |
| 3. | Amrutanjan Cold Rub (Ayurvedic) : | |
| | - 5 gms Tins | 50 Lakhs Nos. |
| | - 20 gms Bottles | 30 Lakhs Nos. |
| 4. | a) Vincristine Bulk Drug | 3.5 Kgs. |
| | b) Vinblastine Bulk Drug | 0.5 Kgs. |
| | Drug Formulations : | |
| | c) Vincristine Vials (1 mg) | 2 Lakhs Nos.* |
| | d) Vinblastine Vials (10 mg) | 20 Lakhs Nos.** |
| | * In terms of consumption of bulk drug equivalent to 0.2 Kg. (own) | |
| | ** In terms of consumption of bulk drug equivalent to 0.2 Kg. (own) | |
| 5. | Dermal Ointment 16 gms. | 1,80,000 Nos. |
| 6. | Cetomix Cough Mixture 60 ml. | 20,000 Nos. |
| 7. | Jiffy Tablets | 1,28,00,000 Nos. |

B. HYDERABAD

- | | | |
|----|------------------------------------|------------------------------|
| 1. | Amrutanjan Pain Balm (Ayurvedic) | 2.4 Crore Units (240 Tons) |
| 2. | Amrutanjan Strong Balm (Ayurvedic) | 40 Lakhs Units |

C. FINE CHEMICALS

91 Tons

23. Previous year's figures are shown in brackets and have been regrouped wherever necessary to comply with current year's classification.

Schedules referred to and the accompanying notes form an integral part of the Balance Sheet

	As per our Report of even date For P.S.Subramania Iyer & Co. Chartered Accountants	S.Radhakrishna Managing Director	S.V.Subramaniam Dr. Pasumarthi S.N. Murthi D.Seetharama Rao
Chennai 9.8.2000	N.Srinivasan Partner	S.Muralidharan Secretary	R. Vijayaraghavan Directors

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BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV TO SCHEDULE VI OF THE COMPANIES ACT, 1956

I. Registration Details

Registration No. 0 0 0 1 7 State Code 1 8
 Balance Sheet Date Date Month Year
3 1 - 0 3 - 2 0 0 0

II. Capital Raised During the period (Amount in Rs. Thousands)

Public Issue	Rights Issue
 N I L 	 N I L
Bonus Issue	Private Placement
 N I L 	 N I L

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

	Total Liabilities		Total Assets
	3 3 0 1 0 7		3 3 0 1 0 7
Sources of Funds:	Paid-up Capital		Reserves & Surplus
	 1 6 0 0 0		 1 8 0 0 0 0
	Secured Loans		Unsecured Loans
	 6 5 7 5 7		 2 1 9 3 0
Application of Funds:	Net Fixed Assets		Investments
	 1 4 2 3 2 2		 3 4 0 3 5
	Net Current Assets		Misc. Expenditure
	 9 9 6 9 4		 7 6 3 6
	Accumulated Losses		
	 N I L 		

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

	Total Turnover/Income		Total Expenditure
	6 4 6 3 6 8		5 5 5 2 6 7
+ - Profit/Loss Before Tax	+ - Profit/Loss After Tax		
<input checked="" type="checkbox"/> 9 1 1 0 1	<input checked="" type="checkbox"/> 6 3 3 8 1		
	Earnings per share (Rs.)		Dividend (%)
	 3 9 . 6 1		 4 5

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

Item Code (ITC Code)

3 0 0 4 9 0

Product Description

A Y U R V E D I C M E D I C I N E

As per our Report of even date For P.S.Subramania Iyer & Co. Chartered Accountants Chennai 9.8.2000	S. Radhakrishna Managing Director S. Muralidharan Secretary	S.V. Subramaniam Dr. Pasumarthi S.N. Murthi D. Seetharama Rao R. Vijayaraghavan Directors
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Amrutanjan Limited

CASH FLOW STATEMENT FOR THE YEAR 1999-2000

A. CASH FLOW FROM OPERATING ACTIVITIES:	31.3.2000 Rs.	31.3.1999 Rs.
Net Profit before tax/interest and extraordinary items	10,95,12,615	10,12,45,623
Adjustments for:		
- Depreciation	78,24,102	43,00,330
- Foreign Exchange	-	-
- Provision for Employee Retirement Benefits	1,98,353	3,42,465
- Interest/Dividend/Others	(31,46,766)	(28,45,659)
- Operating Profit before Working Capital Changes	11,43,88,304	10,30,42,759
Adjustments for:		
- Trade & other receivables	1,46,34,450	(3,17,782)
- Inventories	(33,14,730)	(17,79,761)
- Trade Payables	(59,17,861)	(80,34,003)
Cash generated from operations	11,97,90,163	9,29,11,213
Interest paid	(1,48,19,283)	(1,67,76,545)
Direct taxes paid	(2,89,86,286)	(2,85,77,916)
Cash flow before extraordinary items	7,59,84,594	4,75,56,752
Extraordinary items/Deferred Revenue Expenses	(33,14,499)	(50,46,326)
Net Cash from operating activities	7,26,70,095	4,25,10,426
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets including Capital Work-in-Progress	(5,38,01,427)	(4,25,22,817)
Sale of Fixed Assets	3,68,000	13,67,298
Acquisitions of Companies	-	-
Purchase of Investments	(1,00,00,000)	(79,88,000)
Sale of Investments	-	1,000
Interest received	29,05,301	28,45,659
Dividend received	-	-
Net Loans to Other Companies	1,46,84,384	(46,88,281)
Project related expenses	-	-
Net Cash used in Investing Activities	(4,58,43,742)	(5,09,85,141)

C. CASH FLOW FROM FINANCING ACTIVITIES :

Net Increase/(Decrease) in Bank Borrowings	(2,45,95,623)	1,03,44,805
Proceeds from long term /short term borrowings	1,55,76,166	2,58,23,909
Repayment of Finance Lease Liabilities	(79,99,486)	(86,30,286)
Dividend paid (including Interim Dividend and Tax)	(88,32,000)	(61,60,000)
Net Cash used in financing activities	(2,58,50,943)	2,13,78,428
Net Increase/(Decrease) in cash & cash equivalents	9,75,410	1,29,03,713
Cash and cash equivalents as at opening	3,20,39,933	1,91,36,220
Cash and cash equivalents as at closing	3,30,15,343	3,20,39,933

Chennai 9.8.2000	S. Muralidharan Secretary	S. Radhakrishna Managing Director	S.V. Subramaniam Dr. Pasumarthi S.N. Murthi D. Seetharama Rao R. Vijayaraghavan Directors
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Auditor's Certificate

We have verified the attached cash flow statement of Amrutanjan Limited derived from the audited financial statements for the years ended March 31, 2000 and March 31, 1999 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreement with stock exchange.

109/2, St. Mary's Road,
(1st Floor),
Chennai 600 018.
9.8.2000.

For **P.S. SUBRAMANIA IYER & CO.**
Chartered Accountants
N. Srinivasan
Partner

Amrutanjan Limited

STATEMENT PURSUANT TO SEC.212(3) OF THE COMPANIES ACT, 1956

Name of the Subsidiary:	AMRUTANJAN FINANCE LIMITED		
a) Extent of Holding Company's Interest (Holds 24,04,407 Equity Shares of Rs.10/- each)			69.64%
b) Net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company not dealt in the accounts of the Holding Company			
(i) for the financial year	Rs.	(1,15,47,924)	
(ii) for the previous financial years since the date of Holding and Subsidiary relationship	Rs.	10,32,040	
c) Net aggregate amount of profits of the subsidiary dealt in the accounts of the Holding Company			
(i) for the financial year			—
(ii) for the previous financial years since the date of Holding and Subsidiary relationship (both the Company and the subsidiary follow the same accounting year)			—
			S.V.Subramaniam
			Dr. Pasumarthi S.N. Murthi
			D.Seetharama Rao
			R.Vijayaraghavan
Chennai 9.8.2000	S.Muralidharan Secretary	S.Radhakrishna Managing Director	Directors

Name of the Subsidiary:	AMRUTANJAN DRUGS AND CHEMICALS LIMITED		
a) Extent of Holding Company's Interest (Holds 2,400 Equity Shares of Rs.10/- each)			99.83%
b) Net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company not dealt in the accounts of the Holding Company			
(i) for the financial year	Rs.	(4,878)	
(ii) for the previous financial years since the date of Holding and Subsidiary relationship	Rs.	21,98,108	
c) Net aggregate amount of profits of the subsidiary dealt in the accounts of the Holding Company			
(i) for the financial year			—
(ii) for the previous financial years since the date of Holding and Subsidiary relationship (both the Company and the subsidiary follow the same accounting year)			—
			S.V.Subramaniam
			Dr. Pasumarthi S.N. Murthi
			D.Seetharama Rao
			R.Vijayaraghavan
Chennai 9.8.2000	S.Muralidharan Secretary	S.Radhakrishna Managing Director	Directors

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STATEMENT PURSUANT TO SEC.212(3) OF THE COMPANIES ACT, 1956

Name of the Subsidiary:

EGATTUR PRINTING AND PACKAGING LIMITED

- | | |
|--|-----------------|
| a) Extent of Holding Company's Interest
(Holds 7,98,800 Equity Shares of Rs.10/- each) | 99.995% |
| b) Net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company not dealt in the accounts of the Holding Company | |
| (i) for the financial year | Rs. (57,31,122) |
| (ii) for the previous financial years since the date of Holding and Subsidiary relationship | Rs. (54,18,984) |
| c) Net aggregate amount of profits of the subsidiary dealt in the accounts of the Holding Company | |
| (i) for the financial year | — |
| (ii) for the previous financial years since the date of Holding and Subsidiary relationship
(both the Company and the subsidiary follow the same accounting year) | — |

Chennai
9.8.2000

S.Muralidharan
Secretary

S.Radhakrishna
Managing Director

S.V.Subramaniam
Dr. Pasumarthi S.N. Murthi
D.Seetharama Rao
R.Vijayaraghavan
Directors

Amrutanjan Drugs and Chemicals Limited

DIRECTORS' REPORT

To the members

Your Directors have pleasure in presenting their Eleventh Annual Report together with the statement of account for the year ended 31st March, 2000.

FINANCIAL RESULTS	Rs.
Surplus - Opening Balance	22,01,851.49
Add : Loss for the year	(4,886.00)
Surplus carried forward to Balance Sheet	21,96,965.49

PROSPECTS

The Company is working out modalities for implementing the available know-how on commercial scale.

DEPOSITS

The Company has not accepted any Fixed Deposits.

DIRECTORS

During the year, Sri.S.Radhakrishna, resigned from the Directorship of the Company. Your Directors wish to place on record their appreciation of the contribution made by him to the Company during the tenure of his office as Director.

Sri.S.Muralidharan, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

PARTICULARS OF EMPLOYEES

There are no employees drawing more than the limits prescribed under Section 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY

Provision of Section 217(1)(e) of the Companies Act, 1956 does not apply to the Company.

AUDITORS

M/s. P.S.Subramania Iyer & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

The declaration under Section 224(1B) of the Companies Act, 1956 has been received from them. You are requested to appoint Auditors and fix their remuneration to hold office till the conclusion of the next Annual General Meeting.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the assistance and co-operation received from the employees of Amrutanjan Limited during the year.

Chennai
10.7.2000

S.M.S.Abuthahir Ali
Dr.S.Vydeeswaran
Directors

AUDITORS' REPORT

To the Members of Amrutanjan Drugs and Chemicals Limited.

We have audited the attached Balance Sheet of M/s. Amrutanjan Drugs and Chemicals Limited, Chennai, as at 31st March, 2000 and also the annexed Profit and Loss Account for the year ended on that date and report as under:

- 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, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
- Further to our comments in the Annexure referred to in paragraph 1 above:
 - 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;
 - In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examinations of the books of the Company;
 - The Balance Sheet and Profit and Loss Account referred to in the report are in agreement with the books of accounts of the Company;
 - In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and a fair view;
 - in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2000 and
 - in the case of the Profit and Loss Account, of the Loss for the year ended on that date

109/2, St. Mary's Road,
(1st Floor)
Chennai - 600 018
10.7.2000

For **P.S.SUBRAMANIA IYER & CO.**,
Chartered Accountants
N.Srinivasan
Partner

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- The Company has maintained proper records to show full particulars of its Fixed Assets.
- There was no revaluation of the Fixed Assets during the year.
- There is no stock held by the Company as on 31st March, 2000.
- The Company has not taken loans secured or unsecured from Companies listed in the register maintained under Section 301 of the Companies Act, 1956.
- The Company has not given any loans secured or unsecured to Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- The Company has not given any loans to any persons.
- The Company has not accepted deposits from any person.
- The system of Internal Audit does not apply to the Company.
- The provisions of Provident Fund Act, ESI Act are not applicable to the Company.
- There are no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty outstanding for a period more than six months from the date they became payable.
- In our opinion and according to the information and explanations given to us no personal expenses have been charged to revenue.
- The Company is not Sick Industrial Company within the meaning of Clause (o) of sub-section (1) of Section 3 of Sick Industrial Companies (Special Provisions) Act, 1985.
- The other clauses of the order are not applicable to the Company.

109/2, St. Mary's Road,
(1st Floor)
Chennai - 600 018
10.7.2000

For **P.S.SUBRAMANIA IYER & CO.**,
Chartered Accountants
N.Srinivasan
Partner

11th Annual Report

BALANCE SHEET AS AT 31ST MARCH, 2000

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

LIABILITIES	As at 31.3.2000 Rs.	As at 31.3.1999 Rs.
SHAREHOLDERS' FUNDS		
SHARE CAPITAL		
Authorised		
5,00,000 Equity Shares of Rs.10/- each	<u>50,00,000.00</u>	<u>50,00,000.00</u>
Issued Subscribed paid-up		
2404 Equity Shares of Rs.10/- each (Out of the above 2100 Equity Shares are held by the Holding Company, Amrutanjan Limited and 300 fully paid-up Equity Shares are held in the names of its nominees)	24,040.00	24,040.00
RESERVES & SURPLUS		
Surplus in Profit & Loss Account	21,96,965.49	22,01,851.49
LOAN FUNDS		
Unsecured loans	3,00,000.00	..
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities:		
Sundry Creditors		
S.S.I.	-	-
Others	3,000.00	2,97,690
Provisions:		
Provision for Taxation	18,000.00	18,000.00
Total	<u>25,42,005.49</u>	<u>25,41,581.49</u>
ASSETS		
FIXED ASSETS		
Technical Know-how	25,00,000.00	25,00,000.00
CURRENT ASSETS, LOANS AND ADVANCES		
Current Assets:		
Cash in hand	-	-
Balance with Scheduled Bank	26,877.49	26,453.49
Loans and Advances:		
Income-tax paid	10,628.00	10,628.00
Deposits	4,500.00	4,500.00
Total	<u>25,42,005.49</u>	<u>25,41,581.49</u>

INCOME	31.3.2000 Rs.	31.3.1999 Rs.
Sales	..	28,44,000.00
Total	<u>..</u>	<u>28,44,000.00</u>
EXPENDITURE		
Purchases	..	28,14,375.00
Administrative Expenses		
Miscellaneous Expenses	4,386.00	560.00
Preliminary Expenses Written off	..	1,434.96
Auditor's Remuneration for Audit	500.00	2,000.00
Consultation Fees	..	2,500.00
Total	<u>4,886.00</u>	<u>28,20,869.96</u>
Profit / (Loss) for the year	(4,886.00)	(23,130.04)
Less : Provision for taxation.	..	8,000.00
Less: Short provision of tax relating to earlier year
Add : Surplus of Previous Year	22,01,851.49	21,86,721.45
Balance Profit carried to Balance Sheet	<u>21,96,965.49</u>	<u>22,01,851.49</u>

NOTES ON ACCOUNTS

1. **Significant Accounting Policies:**
 - (a) Accrual System of accounting is followed to record incomes and Expenditure
 - (b) Previous year's figures are regrouped wherever necessary
 - (c) Fixed Assets are valued at cost.
 - (d) Expenditure and Earnings in foreign currency NIL
2. Particulars on Finished Goods and Turnover NIL
3. Raw Materials consumed NIL
4. Installed and Licenced Capacity NIL

As per our Report of even date
For **P.S.Subramania Iyer & Co.,**
Chartered Accountants

S.M.S.Abuthahir All
Dr.S.Vydeeswaran
Directors

Chennai
10.7.2000

N.Srinivasan
Partner

As per our Report of even date
For **P.S.Subramania Iyer & Co.,**
Chartered Accountants

S.M.S.Abuthahir All
Dr.S.Vydeeswaran
Directors

Chennai
10.7.2000

N.Srinivasan
Partner

Amrutanjan Drugs and Chemicals Limited

BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE AS PER PART IV
TO SCHEDULED VI OF THE COMPANIES ACT, 1956.

I. Registration Details:

Registration No. 017020 State Code 18
Balance Sheet Date 31 03 2000
Date Month Year

II. Capital Raised During the Period (Amount in Rs.Thousands)

Public Issue Rights Issue
NIL NIL
Bonus Issue Private Placement
NIL NIL

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

Total Liabilities 2542 Total Assets 2542

Sources Of Funds:

Paid-up Capital Reserves & Surplus
24 2197
Secured Loans Unsecured Loans
NIL 300

Application of Funds:

Net Fixed Assets Investments
2500 NIL
Net Current Assets Misc-Expenditure
21 NIL
Accumulated Losses
N.A

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

Turnover	Total Expenditure
NIL	(4.8)
Profit Before Tax	Profit After Tax
(4.8)	(4.8)
Earning per share (Rs.)	Dividend rate %
N.A	NIL

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

Item Code No. (ITC Code)
29

Product Description

DRUGS & CHEMICALS

As per our Report of even date
For P.S.Subramania Iyer & Co.,
Chartered Accountants
Chennai 10.7.2000
N.Srinivasan
Partner

S.M.S.Abuthahir Ali
Dr.S.Vydeeswaran
Directors

Egattur Printing and Packaging Limited

DIRECTORS' REPORT

To the Members:

Your Directors have pleasure in presenting their Fourth Annual Report and audited accounts for the year ended 31st March, 2000

OPERATIONS

During the year under review, the turnover of the Company increased substantially, from Rs. 68.15 lakhs (for seven months) to Rs. 198.50 lakhs for the whole year. Stabilisation process required for the project is on and your Directors are confident that the Company may break-even during the current financial year and may start earning profits

PROSPECTS

Your Directors are glad to inform you that the turnover for the first four months ended 31.7.2000 amounted to Rs. 65.11 lakhs. The Company has started making operating profits due to effective cost management and higher turnover. Your Directors are glad to inform you that the Company has replaced high cost funds with low cost funds and thereby has repaid the entire outstanding term loan of SIPCOT.

DEPOSITS

The Company has not accepted any Fixed Deposits.

DIRECTORS

Sri. S. Radhakrishna and Sri S.Muralidharan retire by rotation and being eligible offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES

There are no employees drawing more than the limits prescribed under Section 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY

Information under Section 217(1)(e) of the Companies Act, 1956 does not apply to the Company.

AUDITORS:

The retiring auditors, M/s. C.R. Swaminathan Associates, Chartered Accountants, Chennai have indicated their availability for reappointment as auditors of the Company.

STATUS OF Y2K COMPLIANCE

Transition to Y2K was smooth and no problem was encountered.

ACKNOWLEDGEMENTS

The Directors wish to thank the Central Government, Tamil Nadu Government, The Financial Institutions and Company's Bankers for their assistance & co-operation. The Directors also express their appreciation to the employees for the valuable services.

Egattur
8.8.2000

J.V.SESHAIAH
S. MURALIDHARAN
Dr. H.B.N. SHETTY
P. EASWARADAS
Directors

AUDITORS' REPORT

To the Members of Egattur Printing and Packaging Limited,

We have examined the accounts for the year ended 31.3.2000, Balance Sheet as at that date and Profit and Loss Account for the period ended that date, of M/s. Egattur Printing and Packaging Limited, Egattur Village, and report as under:

- 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, we enclose in the annexure hereto, a statement on the matters specified in paragraphs (4) and (5) of the said Order.
- 2) Further to our comments in the 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 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 the books.
 - (c) The Company's Balance Sheet and Profit and Loss Account are in agreement with the books of accounts.
 - (d) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Sec.211 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 read together with notes thereon, subject to our comments contained in the annexure enclosed hereto, give the information required by the Companies Act 1956, in the manner so required and give a true and fair view:-
 - (i) in the case of the Balance Sheet, of the state of the Company's affairs as at 31st March 2000 and
 - (ii) in the case of the Profit and Loss Account, of the Loss for the period ended on that date.

'Ram Nivas',
47, Mandaveli Lane,
Mylapore, Chennai - 4.
8.8.2000

For **C.R. SWAMINATHAN ASSOCIATES**
Chartered Accountants
(C.R.SWAMINATHAN)
Proprietor

ANNEXURE TO THE AUDITORS' REPORT

1. The Company is maintaining proper records to show full particulars including quantitative details and situation of its Fixed Assets. According to the information available to us, the Fixed Assets have been physically verified by the Management and no serious discrepancies were noticed on such verification.
2. None of the Fixed Assets have been revalued during the year.
3. The Company's business being that of Printers / Packagers, it does not hold any stock of finished goods, but the same, are regularly despatched to the customers. As explained to us, the closing stock of finished goods represents undespached materials pending completion of production of the ordered quantity. According to the information available to us, the stock of stores, spares and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

4th Annual Report

-
4. According to the information and explanations given to us, in our opinion, the procedures 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. According to the information available to us, no material discrepancies were noticed on verification between the physical stocks and the book records.
 6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the earlier years.
 7. During the financial year, the Company has not availed any loan or advance in the nature of loan from any party listed in the Register u/s. 301 of the Companies Act.
 8. According to the information and explanations available to us, the Company has not granted any loan to any company, firm or other party listed in the register maintained under Section 301 of Companies Act, 1956.
 9. According to the information available to us and the records examined by us, the loans or advances in the nature of loans given by the Company, are being recovered in accordance with the stipulations, including interest, wherever applicable.
 10. In our opinion and according to the information and explanations given to us there is an adequate internal control procedure commensurate with size of the Company and the nature of its business with regard to purchase of stores, raw materials, plant and machinery, equipment and other assets and with regard to the sale of goods.
 11. As explained to us, the Company's arrangement with M/s. Amrutanjan Ltd, its Holding Company, for sale of cartons and supply of printed materials, aggregating to more that Rs.50,000/- are made at prices that are reasonable having regard to prevailing market prices for such goods/services, or the prices at which transactions for similar goods or services have been made with other parties.
 12. According to the records produced to us, the Company did not have any unserviceable or damaged stores or raw materials.
 13. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
 14. As explained to us, the Company does not have any realisable by-product or scrap.
 15. The company has an internal audit system.
 16. According to the information available to us, maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
 17. During the year, the Company has subscribed to and complied with the requirements under the Provident Fund Scheme, covering the employees of the company and has regularized its obligations under the regulations. As explained to us, the requirements under the Employees State Insurance Act are not attracted to the Company.
 18. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty were outstanding as at 31st March, 2000 for a period of more than six months from the date they became payable.
 19. According to information and explanations given to us, no personal expenses have been charged to revenue account.
 20. The Company is not a Sick Industrial Company within the meaning of clause (O) of Sub-Section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
In the case of Service activity
(i) As explained to us, the Company has a reasonable system of recording receipts, issues and consumption of material and stores and allocating material and stores to relative jobs, commensurate with its size and nature of its business.

'Ram Nivas',
47, Mandaveli Lane,
Mylapore, Chennai - 4.
8.8.2000

For **C.R. SWAMINATHAN ASSOCIATES**
Chartered Accountants
(C.R.SWAMINATHAN)
Proprietor

Egattur Printing and Packaging Limited

BALANCE SHEET AS AT 31ST MARCH, 2000

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

	Schedule No.	As at 31.3.2000 Rs.	As at 31.3.1999 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	I	79,88,330	79,88,330
Loan Funds			
Secured	II	1,36,23,874	1,44,48,633
Unsecured	III	50,00,000	-
Total		<u>2,66,12,204</u>	<u>2,24,36,963</u>
APPLICATION OF FUNDS			
Fixed Assets :			
Gross Block	IV	2,00,16,412	1,92,67,739
Less : Depreciation		23,64,991	10,37,850
Net Block		<u>1,76,51,421</u>	<u>1,82,29,889</u>
Current Assets, Loans and Advances			
Inventories	V	10,26,276	18,37,064
Sundry Debtors	VI	6,60,982	11,38,061
Cash and Bank Balances	VII	26,644	14,702
Loans and Advances	VIII	23,70,761	1,49,341
		<u>40,84,663</u>	<u>31,39,168</u>
Less: Current Liabilities and Provisions			
Current Liabilities	IX	63,19,134	43,95,939
Provisions		-	-
Net Current Assets		<u>(22,34,471)</u>	<u>(12,56,771)</u>
Miscellaneous Expenditure	X	44,590	44,590
Profit and Loss Account	XI	1,11,50,663	54,19,255
Total		<u>2,66,12,204</u>	<u>2,24,36,963</u>
Notes on Accounts	XII		

	31.3.2000 Rs.	31.3.1999 Rs.
INCOME		
Sales (less Returns)	1,98,50,291	66,14,754
Miscellaneous Receipts	22,541	9,364
Increase in Closing Stock of Finished Goods	2,65,658	-
Total	<u>2,01,38,490</u>	<u>66,24,118</u>
EXPENDITURE		
Raw Materials Consumed	1,17,23,970	39,67,589
Consumables	9,47,172	10,23,152
Freight Inwards	3,31,065	93,079
Packing Materials Consumed	4,51,534	1,04,261
Salaries and Wages	36,42,361	18,12,731
Staff Welfare	8,36,337	1,86,872
Labour Charges	7,99,738	9,25,528
Power and Fuel	2,86,465	2,15,495
Communication Expenses	1,20,086	79,594
Conveyance and Travel	4,44,560	3,65,643
Rent, Rates and Taxes	3,67,680	2,25,970
Interest and Bank Charges	27,06,757	9,95,648
Advertisement and Business Promotion	18,624	52,394
Freight Outwards	4,74,524	2,65,617
Printing and Stationery	38,255	1,02,134
Machinery Maintenance	4,19,773	87,633
Repairs and Maintenance	1,77,816	1,98,735
Office Maintenance	91,182	1,02,330
Audit Fees	21,000	13,650
Bad debts written off	4,024	-
Discount on Sales	3,86,224	82,026
Legal and Professional Charges	1,18,332	25,716
Miscellaneous Expenses	1,35,278	79,725
Depreciation	13,27,141	10,37,851
Total	<u>2,58,69,898</u>	<u>1,20,43,373</u>
Net Loss carried over to Balance Sheet	(57,31,408)	(54,19,255)

Vide our Report of even date
For **C.R. SWAMINATHAN**
ASSOCIATES
Chartered Accountants
Egattur
8.8.2000
(C.R.SWAMINATHAN)
Proprietor

J.V. SESHIAH
S.MURALIDHARAN
Dr. H.B.N. SHETTY
P. EASWARADAS
Directors

Vide our Report of even date
For **C.R. SWAMINATHAN**
ASSOCIATES
Chartered Accountants
Egattur
8.8.2000
(C.R.SWAMINATHAN)
Proprietor

J.V. SESHIAH
S.MURALIDHARAN
Dr. H.B.N. SHETTY
P. EASWARADAS
Directors

4th Annual Report

SCHEDULES TO BALANCE SHEET

	31.3.2000 Rs.	31.3.1999 Rs.		31.3.2000 Rs.	31.3.1999 Rs.
SCHEDULE - I			SCHEDULE - II		
Share Capital			Secured Loans		
Authorised			Term Loan from Financial Institution, secured by a first charge on the Plant and Machinery of the Company and guaranteed by Holding Company and a Director of the Company	1,04,92,000	95,40,000
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000	Open Cash Credit facility from Scheduled Bank, secured by the hypothecation of stock in trade and guaranteed by Holding Company and a Director of the Company	31,31,874	32,80,019
Subscribed			Hire Purchase Assistance from Finance Company, secured by the assets financed	-	-
8,03,533 Equity Shares of Rs.10/- each fully paid-up	80,35,330	80,35,330	Less: Finance Charges not accrued	-	16,28,614
Issued & Paid up				1,36,23,874	1,44,48,633
8,03,533 Equity Shares of Rs.10/- each fully paid-up	80,35,330	80,35,330	SCHEDULE - III		
(Out of the above 7,98,800 Equity Shares are held by Amrutanjan Limited, Holding Company)			Unsecured Loans		
Less: Forfeited Shares Account			From Banks	50,00,000	-
4,700 Equity Shares of Rs.10/- each	47,000	47,000		50,00,000	-
	79,88,330	79,88,330			
	79,88,330	79,88,330			

SCHEDULE - IV Fixed Assets

ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	COST Rs.	ADDITIONS Rs.	TOTAL Rs.	1.4.1999 Rs.	FOR THE YEAR Rs.	31.3.2000 Rs.	31.3.2000 Rs.	31.3.1999 Rs.
PLANT & MACHINERY								
A) PRINTING/PACKAGING MACHINERY								
PRINTING OFFSET MACHINE	97,51,357	25,000	97,76,357	3,47,392	4,64,179	8,11,571	89,64,786	94,03,965
CUTTING MACHINE	3,42,121	1,31,745	4,73,866	10,834	20,944	31,778	4,42,088	3,31,287
CARTON FOLDING MACHINE	16,19,289	-	16,19,289	57,687	76,916	1,34,603	14,84,686	15,61,602
EXPOSING SYSTEM	89,975	-	89,975	2,849	4,274	7,123	82,852	87,126
FILM PROCESSOR	3,65,507	-	3,65,507	11,574	17,362	28,936	3,36,571	3,53,933
IMAGE SETTER/SCANNER	16,88,867	-	16,88,867	60,166	80,221	1,40,387	15,48,480	16,28,701
LAMINATION MACHINE	1,12,421	-	1,12,421	4,450	5,340	9,790	1,02,631	1,07,971
NOVAJET PRO 50	8,55,289	-	8,55,289	30,470	40,626	71,096	7,84,193	8,24,819
PLATEMAKER	1,68,695	-	1,68,695	6,010	8,013	14,023	1,54,672	1,62,685
PUNCHING MACHINE	4,85,048	4,62,525	9,47,573	12,861	26,701	39,562	9,08,011	4,72,187
VARNISHING MACHINE	2,77,837	-	2,77,837	6,798	13,197	21,995	2,55,842	2,69,039
SPARES/TOOLS	-	71,500	71,500	-	1,453	1,453	70,047	-
STICHING MACHINE	-	9,270	9,270	-	257	257	9,013	-
B) COMPUTERS & ACCESSORIES								
ACCUPRINT SERVER	2,52,500	-	2,52,500	10,233	40,930	51,163	2,01,337	2,42,267
COMPUTER SYSTEM	11,04,606	-	11,04,606	1,07,057	1,79,057	2,86,114	8,18,492	9,97,549
LASER PRINTER	1,48,250	-	1,48,250	14,018	24,031	38,049	1,10,201	1,34,232
COMPUTER PRINTER	-	10,800	10,800	-	1,459	1,459	9,341	-
UPS	1,63,710	-	1,63,710	17,692	26,537	44,229	1,19,481	1,46,018
STABILIZER	75,318	-	75,318	10,174	12,209	22,383	52,935	65,144
C) FACTORY EQUIPMENTS								
FAN	85,633	-	85,633	2,712	4,068	6,780	78,853	82,921
GENERATOR	3,26,764	-	3,26,764	9,054	15,521	24,575	3,02,189	3,17,710
WEIGHING MACHINE	61,377	-	61,377	1,701	2,915	4,616	56,761	59,676
AIR CONDITIONER	3,56,289	-	3,56,289	10,879	16,924	27,803	3,28,486	3,45,410
BOREWELL	32,815	-	32,815	1,039	1,559	2,598	30,217	31,776
EPABX SYSTEM	44,409	-	44,409	1,149	2,109	3,258	41,151	43,260
MANUAL PALLET TRUCK	19,680	-	19,680	779	935	1,714	17,966	18,901
D) ELECTRICAL INSTALLATION								
FURNITURE & FIXTURES	2,60,375	13,095	2,73,470	9,497	17,072	26,569	2,46,901	2,50,878
TEMPORARY PARTITIONS	5,04,017	-	5,04,017	2,85,608	2,18,409	5,04,017	-	2,18,409
TOTAL	1,92,67,739	7,48,673	2,00,16,412	10,37,850	13,27,141	23,64,991	1,76,51,421	1,82,29,889

NOTES : 1. Depreciation at SLM rates as per Schedule XIV to Companies Act, 1956
2. Depreciation calculated for the no. of whole months in the financial Year.

Egattur Printing and Packaging Limited

SCHEDULES TO BALANCE SHEET

	31.3.2000 Rs.	31.3.1999 Rs.
SCHEDULE - V		
Inventories		
Closing Stock as certified by the Management :		
-Work-in-Progress (valued at Direct Cost of Materials/Labour)	45,565	2,00,596
-Raw Materials (at cost, valued on FIFO basis)	4,14,861	15,38,779
-Consumables (at cost, valued on FIFO basis)	3,00,193	90,950
-Finished goods (valued at Direct Cost of materials / labour)	2,65,658	-
-Packing Materials (at cost, valued on FIFO basis)	-	6,739
	<u>10,26,277</u>	<u>18,37,064</u>
SCHEDULE - VI		
Sundry Debtors (unsecured, good)		
- for a period exceeding six months	4,37,542	6,72,965
- other debts	2,23,440	4,65,096
	<u>6,60,982</u>	<u>11,38,061</u>
SCHEDULE - VII		
Cash and Bank Balances		
Cash on Hand	15,290	3,010
Balance with Scheduled Bank in Current Account	11,354	11,692
	<u>26,644</u>	<u>14,702</u>
SCHEDULE - VIII		
Loans and Advances		
Advances recoverable in cash or in kind or for value to be received		
Deposits/ Advances with Govt. Bodies	43,039	66,011
Others	23,27,722	83,330
	<u>23,70,761</u>	<u>1,49,341</u>
SCHEDULE - IX		
Current Liabilities		
Sundry Creditors - Supplies/Services	-	40,07,670
-SSI Undertakings	-	-
-Others	58,92,712	-
Outstanding Liabilities	4,22,520	3,80,343
Advance from Debtors	-	7,926
Interest accrued - not due	3,904	-
	<u>63,19,134</u>	<u>43,95,939</u>
SCHEDULE - X		
Miscellaneous Expenditure (to the extent not written off or adjusted)		
Preliminary Expenditure	44,590	44,590
	<u>44,590</u>	<u>44,590</u>
SCHEDULE - XI		
Profit and Loss Account		
Bal b/f	(54,19,255)	-
Add: Loss for the year	57,31,408	54,19,255
	<u>(1,11,50,663)</u>	<u>(54,19,255)</u>

SCHEDULE - XII
Notes annexed to and forming part of Balance Sheet as at 31st March, 2000 and Profit and Loss Account for the year ended on that date.

Significant Accounting Policies:

- a. **Income / Expenditure:** Income and Expenditure are accounted according to accrual basis of accounting.
- b. **Fixed Assets / Depreciation:**
 - i. Fixed Assets are stated at historical cost less accumulated depreciation.
 - ii. Depreciation on Fixed Assets is charged under Straight Line Method adopting the rates prescribed by Schedule XIV to the Companies Act, 1956. In reckoning the depreciation in respect of assets acquired during the financial year, depreciation is calculated for the number of whole calendar months immediately succeeding the date of acquisition.
- c. **Stock Valuation**
 - i. Closing Stock of Raw Materials has been valued at cost to the Company following the First In First Out Method (FIFO).
 - ii. Closing Stock of Work-in-Progress has been valued at cost of direct materials and estimated share of labour and other factory overheads.
 - iii. Closing Stock of Packing Materials has been valued at cost to the Company following the First In First Out Method (FIFO).
 - iv. Closing stock of finished goods is valued at selling price less estimated margin of profit. (Previous Year- nil)

d. Balance Sheet

- i. The Company has filed its Return of Income for the Asst. Year 1999-2000 and assessment is pending. There is no liability to income tax for the financial year in view of loss.
- ii. The Company has been regular in filing Sales Tax Returns with appropriate authority and in payment of sales tax dues thereunder.
- iii. The Company has been regular in filing the Returns under the Central Excise Act and in payment of duty thereunder.
- iv. Dues to small scale industrial undertakings as at 31.3.2000 is given to the extent information is available with the company.
- v. The several balances included in the Balance Sheet are pending confirmation from the parties concerned. However, in the opinion of the Board of Directors the Current Assets, Loans and Advances have not been stated in excess of their realisable value.

e. Profit and Loss Account

i. Audit Fees debited to Profit and Loss Account represent the following:

Statutory Audit Fees	Rs. 15,750.00
Tax Audit Fees	Rs. 5,250.00
Total	Rs. 21,000.00

ii. Legal & Professional charges includes a sum of Rs.7,000/- paid to Statutory Auditors for Certification / Income Tax Services.

f. Quantitative and other information required to be given under Part II 3(i), 2(b) of Schedule VI to the Companies Act, 1956, to the extent applicable to the Company are given hereunder. (The information and figures contained hereinafter have been certified by the Management.)

i. Stock of Work-in-Progress:

Particulars	Opening Stock		Closing Stock	
	Units	Value (Rs)	Units	Value (Rs)
Cartons	-	1,48,496	-	44,597
Printing Job	-	52,099	-	968

ii Stock of Finished Goods:

Particulars	Opening Stock		Closing Stock	
	Units	Value (Rs)	Units	Value (Rs)
Cartons	-	-	7,67,300	2,47,352
Printing Job	-	-	-	18,306

iii. Raw Materials Consumed (Indigenous)

Particulars	Consumption		
	Units	Quantity	Value (Rs.)
Boards	Sheets	39,10,934	93,78,778
Papers	Ream	1,950	14,65,762
Others	-	-	9,24,995

(Note : No Consumption of Imported Raw Materials)

iv. Turn Over

Particulars	Units	Quantity	Value (Rs.)
Cartons	nos	6,04,15,850	1,44,00,455
Labels & Others	-	-	53,00,499
Job Work	-	-	1,49,337

(a) Licensed Capacity : Not Applicable

(b) Installed Capacity :

(i) Packaging : The Company undertakes job orders for cartons of varied dimensions that involve differing production processes. Hence, the installed capacity could not be expressed in any standard / rationale basis and accordingly could not be provided.

(ii) Printing : 17,000-20,000 Boards / Sheets of Optimal size per shift of 8 hours per day for 300 days a year.

(c) Actual Production :

(i) Packaging : 5,82,000 cartons (of assorted sizes)

(ii) Printing : 82.50 lakhs sheets (incl. of printing on carton)

g. MISCELLANEOUS:

1. The figures of the previous year are not comparable with those of the current year, since the former relate to a period of about seven months only.

2. The figures of the previous year have been regrouped / reclassified / rearranged to suit current year's classification, wherever necessary.

Vide our Report of even date

For **C.R. SWAMINATHAN**
ASSOCIATES
Chartered Accountants
(C.R.SWAMINATHAN)
Proprietor

J.V. SESHIAH
S.MURALIDHARAN
Dr. **H.B.N. SHETTY**
P. EASWARADAS
Directors

Egattur
8.8.2000

4th Annual Report

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV TO SCHEDULE VI OF THE COMPANIES ACT, 1956

I. Registration Details:

Registration No. 033808

State Code 18

Balance Sheet Date

31 03 2000
Date Month Year

II. Capital Raised During the Period (Amount in Rs.Thousands)

Public Issue

NIL

Rights Issue

NIL

Bonus Issue

NIL

Private Placement

NIL

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

Total Liabilities

26612

Total Assets

26612

Sources Of Funds:

Paid-up Capital

7988

Reserves & Surplus

NIL

Secured Loans

13623

Unsecured Loans

5000

Application of Funds:

Net Fixed Asset

17651

Investments

NIL

Net Current Assets

(2234)

Misc. Expenditure

44

Accumulated Losses

(11150)

IV. Performances of Company (Amount in Rs.Thousands)

Turnover

20138

Total Expenditure

25870

Profit Before Tax

(5731)

Profit After Tax

(5731)

Earnings per share

N.A

Dividend Rate %

NIL

V. Generic Names of Three Principal Products/Services of Company

(as per monetary terms)

Item Code No.

49111002

(ITC Code)

Product Description

PRINTING &

PACKAGING

Egattur
8.8.2000

Vide our Report of even date
For **C.R. SWAMINATHAN ASSOCIATES**
Chartered Accountants
(**C.R.SWAMINATHAN**)
Proprietor

J.V. SESHIAH
S.MURALIDHARAN
Dr. H.B.N. SHETTY
P.EASWARADAS
Directors

DIRECTORS' REPORT

Your Directors present their Twelfth Annual Report and Audited Accounts for the year ended March 31, 2000.

FINANCIAL HIGHLIGHTS

	1999-2000 (Rs. in Lakhs)	1998-1999 (Rs. in Lakhs)
1. Gross Income	255.69	393.48
2. Profit before Depreciation	(39.56)	106.34
3. Depreciation	126.26	210.86
4. Profit Before Tax	(165.82)	(104.52)
5. Provision for Tax	-	-
6. Profit after Tax	(164.82)	(104.52)

PERFORMANCE HIGHLIGHTS

1. Gross Disbursement		
- Hire Purchase	172.64	60.97
- Lease	45.84	60.28
- Bill Discounting	1.75	32.21
- Car Booking	0.50	0.50
- Loans	28.11	38.12
2. Deposits	506.47	560.33

REVIEW OF PERFORMANCE DURING THE YEAR

No other segment of the Indian Economy has suffered a jolt as severe as the one faced by the Non-Banking Finance Companies. The worst ever shake-out in the sector took place in the last 2 years. The Reserve Bank of India announced certain amendments in their guidelines with regard to public deposits as well as provisioning for NPAs on 13.1.2000 and 30.6.2000 respectively.

The Company could not do much of HP/Lease business as Bankers have not considered any additional finance and a portion of our collection has to be utilised for repayment of deposits. You will be glad to note that the Company managed to keep up its commitments to depositors despite the adverse conditions prevailing in the markets. Deposit repayment made during the year is Rs.55 lacs.

Your Company is having BBB-(so) rating from DCR India Ltd for its Fixed Deposit Programme. Even though the Company is eligible to accept deposit upto 4 times its Net Owned Funds, we have proposed to reduce the deposit to the level equal to that of Net Owned Funds in the next two years.

With regard to Non-Performing Assets (NPA), RBI have announced certain liberalisation in the Norms for provisioning. This has helped the Company to certain extent in provisioning. Even though there is no addition to Number of Accounts in the NPA Category provisioning is slightly higher due to switch over from Substandard to Doubtful head and Doubtful to Loss Asset Status. Company is hopeful of recovering substantial portion of amount blocked in NPA in the current year. Your Directors regret their inability to recommend any dividend.

FUTURE PROSPECTS

The Company started doing fresh business of Rs.40 lacs per month in the current year. Upto 7.8.2000 the business done by the Company is about Rs.160 lacs. Bank of Madura Ltd have subscribed Rs.100 lacs in our Company's Non-Convertible Debentures on Private Placement basis. This funds along with the collection have been utilised for doing fresh business.

Company is mainly concentrating on Two Wheeler and Four Wheeler financing only. NBFCs are facing intense competition from Banks, Financial Institutions and other large corporates in retail segment particularly in Vehicle sector, forcing them to accept lower margins. However, the company is able to get good business from existing as well as new customers with the reputation already having in the market. Company has initiated steps to reduce operating costs.

Transport Division is mainly catering to the needs of Amrutanjan Ltd by transporting its employees and their finished goods. It may be extended to other location like Hyderabad shortly.

The Infotech Division set up in August 1998 is presently engaged in Software training of Officials of number of Corporates and also Individuals. In order to increase the revenues, it has been proposed to enter into Internet Service Provider areas like Setting of Call Centers shortly. Software development work is also likely to be taken up simultaneously. Additional income generated by these activities will enable the Company to earn profit in the current year.

DIRECTORS

Sri.S.V.Subramaniam and Dr.Pasumarthi S.N.Murthi retire by rotation at the Annual General Meeting and being eligible offer themselves for re-election.

Sri S.Muralidharan was co-opted as an Additional Director of the Company by the Board during the year. He holds office only upto the date of the ensuing Annual General Meeting and is eligible for appointment at the forthcoming Annual General Meeting.

PARTICULARS OF EMPLOYEES AS PER SECTION 217 (2A) AND DETAILS AS PER SECTION 217(1)(e)

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended is not provided as no employee was in receipt of remuneration in excess of Rs.50,000/- per month. Provisions of Section 217(1)(e) of the Companies Act, 1956, calling for details regarding energy conservation, technology absorption, foreign exchange earnings and outgo etc., do not apply to this Company.

PUBLIC DEPOSITS

The company held matured deposits of Rs.16,21,667/- (No.of depositors 150) as of March 31, 2000 of which Rs.7,32,437/- (No.of depositors 79) has since been renewed/paid.

NOTE ON DEPRECIATION

With respect to the remarks on non provision of depreciation in Note 5 in Schedule N, the company is of the opinion that income is not realisable and hence not accrued; consequently, the provision of depreciation on such assets is not considered necessary.

ACKNOWLEDGMENT

The Directors wish to place on record their appreciation for the support received from its Bankers, Shareholders and Deposit Holders. The Directors also wish to thank the employees of the Company and M/s.Amrutanjan Limited for their continued assistance and co-operation

S.V. SUBRAMANIAM
S.RADHAKRISHNA
D.SEETHARAMA RAO
DR. PASUMARTHI S.N. MURTHI
S.MURALIDHARAN
DIRECTORS

PLACE : CHENNAI
 DATE : 09.8.2000

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AUDITORS' REPORT

To the members of Amrutanjan Finance Limited:

We have audited the attached Balance Sheet of the Company as at 31st March 2000 and the annexed Profit and Loss Account for the year ended on that date and report that:

1. As required by the Manufacturing and Other Companies (Auditors Report) Order 1975, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to on paragraph 1 above:
 - i) 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.
 - ii) 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.
 - iii) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of accounts.
 - iv) The Balance Sheet and Profit and Loss Account dealt with by this Report comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956.
 - v) In our opinion and to the best of our information and according to the explanations given to us the said accounts together with the schedules attached thereto, subject to Note No. 4 regarding non provision of depreciation of Rs.3,22,107/- during the year and aggregating Rs. 44,59,833/- till 31st March, 2000 on Non Performing Assets on the grounds of non accrual of income and the consequent impact on the loss for the year and the cumulative Loss carried over, give the information required by the Companies Act, 1956 in the manner so required and the Balance Sheet gives a true and fair view of the state of the Company's affairs as at 31st March, 2000 while the Profit and Loss Account gives a true and fair view of the Loss for the year ended on that date.

For SHANKER GIRI & PRABHAKAR
CHARTERED ACCOUNTANTS

Place : CHENNAI
Date : 09.8.2000

P.PRABHAKAR RAO
Partner

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE REPORT OF EVEN DATE

- (1) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets. The fixed asset of the Company other than those let on lease, have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed on such verification. In respect of fixed assets on lease, confirmation from the lessees about the existence of such assets are being obtained.
- (2) None of the Fixed Assets have been revalued during the Year.
- (3) The Company has taken any a loan from a Company under the same management as defined under section 370 (1-B) of the Companies Act, 1956. The terms and conditions of such loan are not prejudicial to the interest of the Company. The Company has not taken any other loans, secured or unsecured from Companies, firms or other parties referred to under Section 301 and 370 (1-B) of the Companies Act, 1956.
- 4) The Company has given advances to a Company under the same management. The rate of interest and other terms and conditions of such loans are not prejudicial to the interest of the Company. The Company has not granted any other loans or advances in the nature of loans secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 and or to the companies under the same management as defined under sub-section(1-B) of Section 370 of the Companies Act, 1956.
- (5) The parties to whom loans or advances in the nature of loans have been given by the Company are generally repaying the principal amounts as stipulated and are also regular in payment of interest where applicable, in most cases. In those cases where principal amounts and/or interest are not being paid as stipulated, reasonable steps are being taken by the Company for recovery of the principal and interest. In respect of monies due under Hire Purchase transactions entered into by the Company in the ordinary course of business, the instalments are being generally received regularly in accordance with the stipulated terms except in few cases. According to the information and explanations given to us, reasonable steps have been taken by the company for recovery of the overdue instalments.
- (6) 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 assets, materials and sale of goods, materials and services.
- (7) There are no transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements 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.
- (8) The Company has complied with the Directives issued by Reserve Bank of India in respect of Deposits accepted by the Company.
- (9) During the year the Company did not have an Internal Audit System. However, the internal control procedures were commensurate with the size of the Company and the nature of its business.
- (10) The Company has regularly deposited, during the year Provident Fund dues with the appropriate authorities. According to the information and explanations given to us the provisions of the Employees State Insurance Act are not applicable to the company.
- (11) There are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty outstanding for a period of more than six months from the date they became payable. However, Interest tax liability amounting to Rs.2,21,000/- remains unpaid.
- (12) In our opinion and according to the information and explanations given to us, personal expenses have not been charged to revenue account.
- (13) The provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 are not applicable as the company is a finance company.
- (14) In respect of loans granted on the basis of security by way of pledge of shares, where adequate documents are not available or where the market value of the securities pledged is not fully adequate to cover the outstanding amount of the loan and interest the company has taken reasonable steps to regularise.
- (15) In respect of Investments traded by the Company, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The investments are held by the Company in its own name.
- (16) The other provisions of the Manufacturing and Other Companies (Auditor's Report) Order, 1988, are not applicable to the Company, being a Hire Purchase and Leasing Company.

For SHANKER GIRI & PRABHAKAR
CHARTERED ACCOUNTANTS

Place : CHENNAI
Date : 09.8.2000

P.PRABHAKAR RAO
Partner

Amrutanjan Finance Limited

BALANCE SHEET AS AT 31ST MARCH, 2000

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

	As at	
Schedule	31.3.2000	31.3.1999
	Rs.	Rs.
SOURCES OF FUNDS		
SHAREHOLDER'S FUNDS		
Share Capital	A 3,45,27,980	2,45,27,980
Reserves & Surplus	B 37,49,498	37,49,498
	<u>3,82,77,478</u>	<u>2,82,77,478</u>
LOAN FUNDS		
Secured loan	C 2,05,17,771	3,72,89,107
Unsecured loan	D 5,21,47,445	5,60,33,491
	<u>11,09,42,694</u>	<u>12,15,30,076</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block	E 3,60,07,044	6,23,28,960
Less: Depreciation	1,74,14,719	2,73,28,766
Net Block	<u>1,85,92,325</u>	<u>3,50,00,194</u>
INVESTMENTS - AT COST		
F 96,23,952	1,18,60,452	
CURRENT ASSETS,		
LOANS AND ADVANCES		
Stock on hire	4,95,90,826	3,86,34,330
Debtors	G 1,04,23,877	1,25,18,296
Cash and Bank Balances	H 18,63,879	10,99,321
Loans and Advances	I 2,69,15,594	3,88,27,656
Interest Accrued	55,86,285	61,01,992
	<u>9,43,80,461</u>	<u>9,71,81,595</u>
LESS: CURRENT LIABILITIES AND PROVISIONS		
J 3,69,55,486	3,12,4,789	
NET CURRENT ASSETS	<u>5,74,24,975</u>	<u>6,59,66,806</u>
MISCELLANEOUS EXPENDITURE		
(To the extent not written off)		
Preliminary and Share issue expenses	-	33,498
PROFIT AND LOSS ACCOUNT	<u>2,53,01,442</u>	<u>87,19,126</u>
	<u>11,09,42,694</u>	<u>12,15,30,076</u>

NOTES ON ACCOUNTS N

This is the Balance Sheet referred to in our Report of even date For SHANKER GIRI & PRABHAKAR CHARTERED ACCOUNTANTS P.PRABHAKAR RAO Partner

S.GOPALAN
GENERAL MANAGER

Place :Chennai
Date : 09.8.2000

S.V. SUBRAMANIAM
S.RADHAKRISHNA
D.SEETHARAMA RAO
Dr.PASUMARTHI S.N. MURTHI
S.MURALIDHARAN
DIRECTORS

INCOME

Schedule	31.3.2000	31.3.1999
	Rs.	Rs.
Income from Hire Purchase	68,82,133	71,51,354
Income from Lease	1,23,89,577	2,56,75,146
Bill discounting charges	31,249	4,55,900
Other Income	K 62,66,101	60,65,110
	<u>2,55,69,060</u>	<u>3,93,47,510</u>

EXPENDITURE

Schedule	31.3.2000	31.3.1999
	Rs.	Rs.
Administration Expenses	L 48,35,483	53,51,710
Financing charges	M 1,54,51,959	1,83,76,507
Bad Debts & Non Performing assets	92,04,708	49,49,629
Depreciation	1,26,25,727	2,10,86,260
Preliminary expenses written off	33,498	35,705
	<u>4,21,51,375</u>	<u>4,97,99,811</u>

NET LOSS FOR THE YEAR

(1,65,82,315)	(1,04,52,301)
Add:Balance as at the beginning of the year	(87,19,127)
Less : Transfer from General Reserve	30,00,000
BALANCE CARRIED TO BALANCE SHEET	<u>(2,53,01,442)</u>
	<u>(87,19,126)</u>

NOTES ON ACCOUNTS N

This is the Profit & Loss Account referred to in our Report of even date For SHANKER GIRI & PRABHAKAR CHARTERED ACCOUNTANTS P.PRABHAKAR RAO Partner

S.GOPALAN
GENERAL MANAGER

Place :Chennai
Date : 09.8.2000

S.V. SUBRAMANIAM
S.RADHAKRISHNA
D.SEETHARAMA RAO
Dr.PASUMARTHI S.N. MURTHI
S.MURALIDHARAN
DIRECTORS

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SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE 'A'	31st March 2000	31st March 1999	Special Reserve Fund		
SHARE CAPITAL	Rs.	Rs.	As per last Balance Sheet	6,83,500	6,83,500
Authorised					
50,00,000 Equity shares of Rs.10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>	Share Premium Account	<u>30,65,998</u>	<u>30,65,998</u>
				<u>37,49,498</u>	<u>37,49,498</u>
Issued, Subscribed and Paid up					
34,52,798 Equity Shares of Rs.10 each (Of the above, 24,04,407 Equity Shares are held by the Holding Company, Amrutanjan Limited - 10,00,000 Equity Shares are allotted for consideration other than cash)	<u>3,45,27,980</u>	<u>2,45,27,980</u>			
			SCHEDULE 'C'		
			SECURED LOAN - Note 3		
			From Banks	1,84,85,566	2,02,66,490
			From Holding Company	-	1,39,00,000
			From Others	<u>20,32,205</u>	<u>31,02,617</u>
				<u>2,05,17,771</u>	<u>3,72,69,107</u>
			SCHEDULE 'D'		
			UNSECURED LOANS		
			Fixed Deposits	5,06,47,445	5,60,33,491
			Short Term Loans		
			- From Others	<u>15,00,000</u>	-
				<u>5,21,47,445</u>	<u>5,60,33,491</u>
SCHEDULE 'B'					
RESERVES AND SURPLUS					
General Reserve					
As per last Balance Sheet	-	30,00,000			
Less : Transfer to Profit and Loss Account	-	<u>30,00,000</u>			

SCHEDULE 'E'

FIXED ASSETS

ASSET DESCRIPTION	COST			DEPRECIATION			NET BLOCK	
	AS ON 1.4.1999	ADDITIONS (DELETIONS)	AS ON 31.3.2000	AS ON 1.4.1999	ADDITIONS (DELETIONS)	AS ON 31.3.2000	AS ON 31.3.2000	AS ON 31.3.1999
Land	4,70,000	-	4,70,000	-	-	-	4,70,000	4,70,000
Buildings	19,89,900	15,86,000 (34,91,400)	84,500	3,01,894	84,398 (3,66,904)	19,388	65,112	16,88,006
Plant and Machinery	2,27,97,551	- (85,34,815)	1,42,62,736*	1,06,96,922	40,41,547 (81,06,285)	66,32,184	76,30,552	1,21,00,629
Automobiles	1,96,56,764	33,47,274 (1,18,43,123)	1,11,60,915	81,77,472	52,15,387 (85,30,277)	48,62,582	62,98,333	1,14,79,292
Computers	1,00,73,525	3,61,963 (50,83,798)	53,51,690	49,21,447	21,16,935 (38,10,604)	32,27,778	21,23,912	51,52,078
Office Equipments	16,66,891	8,16,077 (6,45,380)	18,37,588	7,69,210	4,58,760 (4,88,134)	7,39,836	10,97,752	8,97,681
Furniture & Fixtures	43,88,329	58,680 (16,07,394)	28,39,615	24,61,821	7,08,700 (12,37,570)	19,32,951	9,06,664	19,26,508
Capital Work in progress	12,86,000	3,00,000 (15,86,000)	-					12,86,000
	<u>6,23,28,960</u>	<u>64,69,994</u> <u>(3,27,91,910)</u>	<u>3,60,07,044</u>	<u>2,73,28,766</u>	<u>1,26,25,727</u> <u>(2,25,39,774)</u>	<u>1,74,14,719</u>	<u>1,85,92,325</u>	<u>3,50,00,194</u>

* All assets except assets costing Rs.54,71,751/- (Rs.85,45,135/-) with a book value of Rs.23,58,186/- (Rs.60,29,301/-) have been given on lease.

* Includes Rs.48,00,000 being the value of assets bought on Hire Purchase Basis.

Amrutanjan Finance Limited

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE 'F' INVESTMENTS AT COST

1. IN EQUITY SHARES - Non Trade - Quoted

	FACE VALUE	As at 31.3.2000		As at 31.3.1999	
		Nos	Cost Rs.	Nos	Cost Rs.
Apple Midas-Mutual Funds Limited *	10	-	-	5,000	50,000
Arun Pipes Limited	10	1,600	41,115	1,600	41,115
Bank of Madura Limited	10	100	83,000	100	83,000
Calcom Vision Limited	10	2,000	1,17,100	2,000	1,17,100
Gujarat Industrial Power Limited	10	500	46,900	500	46,900
Ind Bank Merchant Banking Limited	10	500	24,875	500	24,875
Indiana Dairy Specialists Limited	10	500	28,275	500	28,275
Kareem Spun Silk Limited	10	700	17,395	700	17,395
Karnataka Bank Limited	10	400	48,000	400	48,000
Kotak Mahindra Finance Limited	10	300	1,81,190	300	1,81,190
Marg Securities Limited	10	1,750	43,750	1,750	43,750
Natco Laboratories Limited	10	500	61,100	500	61,100
Periakaramalai Tea & Produce Co Ltd	10	300	50,750	300	50,750
PAL Peugeot Limited	10	1,800	18,000	1,800	18,000
Polyplex Corporation Limited	10	500	62,225	500	62,225
Royal Enfield Limited	10	500	51,000	500	51,000
Recons Limited	10	400	40,000	400	40,000
SPIC Fine Chemicals Limited *	10	-	-	1,200	61,500
Si Sugars Limited	10	200	58,300	200	58,300
Samrat Ashoka Exports Limited	10	300	18,000	300	18,000
Twenty First Century Management Services Limited	10	2,000	1,20,000	2,000	1,20,000
Uma Maheshwari Limited	10	600	12,000	600	12,000
Veera Treatwood Limited	10	2,000	84,200	2,000	84,200
			12,07,175		13,18,675
LESS : Provision for diminution in value			10,59,568		10,59,568
			1,47,607		2,59,107

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SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE 'F' (Contd.)

	FACE VALUE	As at 31.3.2000		As at 31.3.1999	
		Nos	Cost Rs.	Nos	Cost Rs.
2 IN GOVERNMENT SECURITIES					
13.25% Government of India Loan 2000	8,80,000	-	8,71,200	-	8,71,200
11.75% Government of India Loan 2001	51,000	-	51,800	-	51,800
12.50% Government of India Loan 2004	3,00,000	-	2,83,800	-	2,83,800
14.00% Government of India Loan 2006	1,50,000	-	1,52,985	-	1,52,985
12.5% Government of India Loan 2007	4,00,000	-	3,66,560	-	3,66,560
Kisan Vikas Patras @	47,50,000	-	47,50,000	-	68,75,000
Indira Vikas Patras	26,00,000	-	26,00,000	-	26,00,000
			90,76,345		1,12,01,345
3. OTHER INVESTMENTS					
Orissa Power Generation Corporation Ltd, Bonds		-	4,00,000	-	4,00,000
		-	4,00,000	-	4,00,000
TOTAL			96,23,952		1,18,60,452
Market value of quoted investment			Rs. 2,51,568		

Notes : * Sale during the year

@ Sold during the year Rs. 21,25,000/-

	31st March 2000 Rs.	31st March 1999 Rs.			
SCHEDULE 'G'			SCHEDULE 'J'		
SUNDRY DEBTORS			CURRENT LIABILITIES AND PROVISIONS		
Unsecured - Considered Good			Advances recoverable in cash or kind or for value to be received	67,27,505	99,85,786
Debts outstanding for a period exceeding six months	77,35,710	82,21,798	Advance tax / tax deducted at source	45,97,930	44,61,030
Other debts	26,88,167	42,96,498	Deposits	1,54,900	1,45,600
	1,04,23,877	1,25,18,296		2,69,15,594	3,88,27,656
SCHEDULE 'H'			PROVISION		
CASH AND BANK BALANCES			Provision for Taxation	32,29,300	32,29,300
Cash/Cheques on hand	1,750	2,463	Provision for Non Performing assets	1,70,53,616	81,47,272
Balance with Scheduled Banks				3,69,55,486	3,12,14,789
-In Current accounts	17,07,110	9,41,131			
-In Deposit accounts	46,114	46,114			
-In Unpaid Dividend Accounts	1,08,905	1,09,613			
	18,63,879	10,99,321			
SCHEDULE 'I'					
LOANS AND ADVANCES					
Secured loans Considered Good	76,99,523	1,01,65,780			
Unsecured and Considered Good					
Loans	71,26,072	1,35,14,689			
Bills Purchased and discounted	6,09,664	5,54,771			

Amrutanjan Finance Limited

	31st March 2000	31 March 1999
	Rs.	Rs.
SCHEDULE 'K'		
OTHER INCOME		
Income from Forex Operations		43,609
Dividend received	8,231	13,345
Profit on sale of investments	40,572	5,08,371
Profit on sale of Assets	13,82,893	45,454
Interest received on :		
Loans & Deposits	25,79,874	24,60,243
Investments	19,06,270	21,72,376
Miscellaneous Income	3,48,261	8,21,712
	62,66,101	60,65,110
SCHEDULE 'L'		
ADMINISTRATIVE EXPENSES		
Salaries and Wages	17,80,094	19,87,572
Contribution to Provident Fund	1,14,731	1,12,289
Contribution to Gratuity Fund	1,67,453	-
Rent	78,000	85,833
Rates and Taxes	76,258	82,431
Electricity	47,388	45,138
Printing & Stationery	1,28,266	1,23,032
Postage, Telephone & Telegrams	2,96,897	3,50,106
Travelling and Conveyance	1,89,858	2,17,448
Brokerage & commission	7,52,250	10,35,344
Advertisement	97,723	70,773
Audit Fee		
For Audit	45,000	
For Taxation	15,000	
For Other Services	17,500	
	77,500	51,500
Directors' Sitting fees	7,500	7,500
Miscellaneous expenses	10,21,565	11,82,744
	48,35,483	53,51,710
SCHEDULE 'M'		
FINANCING CHARGES		
Interest on: Fixed Loans	1,11,22,815	1,39,35,962
Others	37,81,244	38,42,649
Bank Charges	5,47,900	5,97,896
	1,54,51,959	1,83,76,507

SCHEDULE 'N'

NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

i) INCOME :

- a) Income arising from Hire Purchase Agreements, Lease Agreements and Loan Agreements are accounted on accrual basis as per the terms of the agreement executed with the respective parties from time to time.
- b) In respect of Hire Purchase agreements executed by the Company, Finance Charges income is appropriated over the period of the contract on the basis of outstanding principal amount.
- c) The Company has followed the prudential norms for income recognition and for provisioning for bad and doubtful debts as prescribed by the Reserve Bank of India as applicable to Non Banking Finance Companies.
- d) Bills discounting charges relating to the year ended 31.3.2000 is reckoned as income and unearned portion thereof is deferred to subsequent accounting periods.

ii) EXPENSES

All expenses are accounted on accrual basis .

iii) FIXED ASSETS AND DEPRECIATION

- a) All fixed assets are carried at historical cost less accumulated depreciation.
- b) In respect of assets other than those leased out, depreciation has been provided pro rata from the date of addition at the rates prescribed under Schedule XIV of the Companies Act, 1956 on Written Down Value basis.
- c) In respect of Leased Assets , the Company has adopted the method of depreciating the cost of the asset over the primary lease period in line with the method outlined in the Exposure Draft published by the Institute of Chartered Accountants of India. Under this method the interest rate implicit in the lease transaction, is calculated and is applied on the Outstanding investment on Lease, to calculate the finance earnings for the period. The difference between the lease rentals and finance earnings is charged as Depreciation.

- iv) **INVESTMENTS** are Long term investments. Provision for diminution in value has been recognised where such diminution is considered permanent. Income from Investments is accounted on accrual basis.
- v) **Stock sold on Hire Purchase basis** are shown at full Hire Purchase Agreement values less instalments appropriated up to 31st March 1999.
- vi) **Contributions towards Provident Fund and Gratuity Fund** are made to the appropriate authorities and is charged to Profit and Loss Account as they become due.

12th Annual Report

2. Contingent liability in respect of :

Bank Guarantee towards Disputed Income Tax liability - Rs.29,27,460/- (1998/99 - Rs. 29,27,460)
Disputed Sales Tax liability - Rs. 60,369/- (1998/99 - Rs. 60,369)

3. SECURED LOANS

- Credit facilities from bank are secured by Hypothecation of specified stock on hire items and assets let on lease, covered by specified hire purchase/lease agreements and assignment of relevant book debts and guaranteed by the Holding company.
- Secured loans from others represents Hire Purchase Finance availed by the Company and are secured by hypothecation of specified assets .
- Loan from the Holding Company which was partly secured by hypothecation of buildings has been repaid during the year.

- Fixed Deposits include deposits from Directors Rs. 60,000/- (1998/99 - Rs.68,000/-)

5. The Company has not provided for depreciation on non performing leased assets to the extent of Rs.3,22,107/-(1998/99-Rs.5,02,110) during the year and aggregating Rs.44,59,833/- (1998/99 - Rs. 41,37,726/-) upto 31/3/2000 on the basis that there has been no capital recovery on such assets where income has not been recognised by the Company.

- Administration expenses are shown at net of recoveries if any.
- Previous year's figures have been reclassified wherever necessary to conform to the classification adopted in these accounts.

SIGNATURES TO SCHEDULES 'A' TO 'N'

For SHANKER GIRI & PRABHAKAR
CHARTERED ACCOUNTANTS

P.PRABHAKAR RAO
Partner

S.GOPALAN
GENERAL MANAGER

S.V. SUBRAMANIAM
S.RADHAKRISHNA
D.SEETHARAMA RAO
Dr.PASUMARTHI S.N. MURTHI
S.MURALIDHARAN
DIRECTORS

Place :Chennai
Date : 09.8.2000

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV TO SCHEDULE VI OF THE COMPANIES ACT, 1956.

I. Registration Details:

Registration No. 15406 State Code 18

Balance Sheet Date

31 03 2000
Date Month Year

II. Capital Raised During the Period (Amount in Rs.Thousands)

Public Issue Rights Issue

NIL NIL

Bonus Issue Private Placement
NIL 10000

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Thousands)

Total Liabilities Total Assets
110943 110943

Sources Of Funds:

Paid-up Capital Reserves & Surplus
34528 3749
Secured Loans Unsecured Loans
20518 52147

Application of Funds:

Net Fixed Assets Investments
18592 9624
Net Current Assets Misc-Expenditure
57425 0
Accumulated Losses
25301

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

Turnover	Total Expenditure
25569	42151
Loss Before Tax	Loss After Tax
16581	16581
Earning per share	Dividend rate %
000	NIL

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

Item Code No. NA

Product Description

Hire Purchase
Lease Financing

For SHANKER GIRI & PRABHAKAR
CHARTERED ACCOUNTANTS

P.PRABHAKAR RAO
Partner

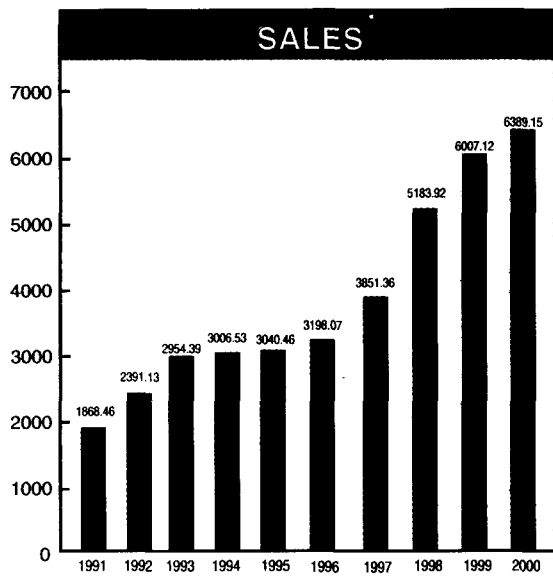
S.GOPALAN
GENERAL MANAGER

S.V. SUBRAMANIAM
S.RADHAKRISHNA
D.SEETHARAMA RAO
Dr.PASUMARTHI S.N. MURTHI
S.MURALIDHARAN
DIRECTORS

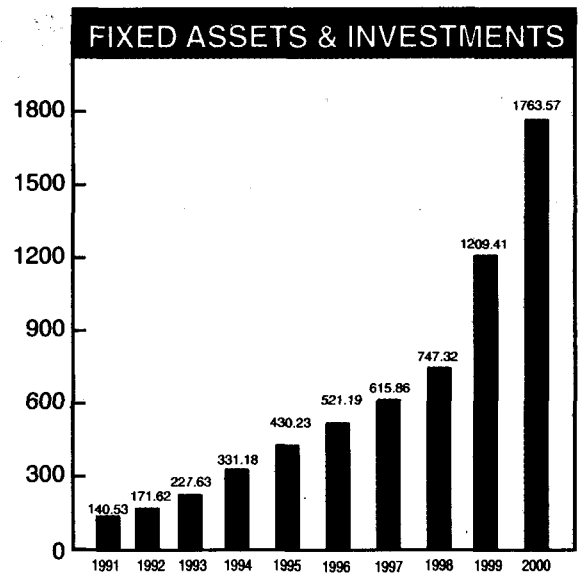
Place :Chennai
Date : 09.8.2000

AMRUTANJAN

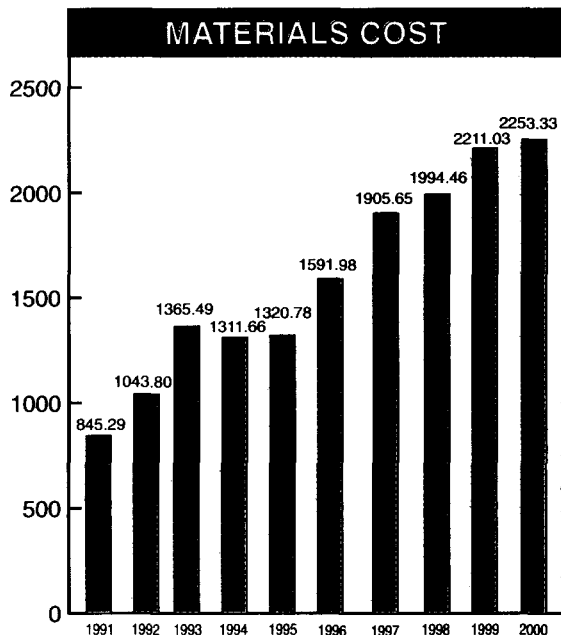
Rs. in lakhs



Rs. in lakhs



Rs. in lakhs



Rs. in lakhs

