

AMRUTANJAN LIMITED



64th ANNUAL REPORT

2000-2001

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

New No. 103 (Old No. 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, Kolkatta, Delhi,
Ghaziabad, Hyderabad & Chennai

SHAREHOLDERS' INFORMATION

Annual General Meeting - Date, Time & Venue	:	Thursday, the 20th September, 2001 at 11.00 a.m. Sathguru Gnanananda Hall (Narada Gana Sabha) New No.314 (Old No.254), T.T.K.Road, Chennai 600 018.
Dates of Book Closure	:	14.09.2001 to 20.09.2001 (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 2001-2002 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 New No.103 (Old 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 New No.103 (Old No.42-45), Luz Church Road, Mylapore, Chennai 600 004.
No. of Shareholders	:	6659
Market Price Data (2000-2001)	:	High: Rs.278.00 Low: Rs.120.00

Amrutanjan Limited

Regd. Office: New No.103 (Old No.42-45), Luz Church Road,
Mylapore, Chennai - 600 004.

NOTICE

NOTICE is hereby given that the Sixty Fourth Annual General Meeting of the members of Amrutanjan Limited will be held at Sathguru Gnanananda Hall (Narada Gana Sabha), New No.314 (Old No.254), T.T.K.Road, Chennai 600 018, on Thursday, the 20th September, 2001 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, 2001 and the Profit and Loss Account for the year ended 31st March, 2001, Reports of the Directors and Auditors thereon.
2. To declare and record dividend on shares.
3. To appoint a Director in the place of Sri R. Vijayaraghavan, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Sri K.M.Mathew, 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.
M/s. P.S. Subramania Iyer & Co.. the retiring Auditors are eligible for re-appointment.

Special Business

6. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution.
 - (a) RESOLVED that upon the recommendation of the Board of Directors and subject to the approval of Reserve Bank of India and other appropriate authorities where applicable, a sum of Rs.1,20,00,000/- (Rupees One crore twenty lakhs only) out of the sums standing to the credit of General Reserve be and the same is hereby capitalised and accordingly the Board of Directors be and are hereby authorised to appropriate the said sum for distribution to and amongst the members of the Company whose names appear in the Register of Members of Equity Shares as on such date to be hereafter fixed by the Board of Directors in proportion to the Equity Shares held by them respectively and to apply the said sum in paying up in full 12,00,000 Equity Shares of Rs.10/- each at par in proportion of three new shares for every four of the said existing equity shares then held by such members respectively on the basis that members become entitled to the new equity shares as capital and not as income.
 - (b) RESOLVED FURTHER THAT the new equity shares shall be allotted subject to the Memorandum and Articles of Association of the Company and shall in all respects rank pari passu with the existing fully paid-up equity shares of the Company, with a right, if the Board of Directors so determine, to participate in full in dividend to be declared after the date of allotment of these shares.
 - (c) RESOLVED FURTHER THAT no fractional certificate shall be issued to the members in respect of their respective fractional entitlement of bonus shares but all the fractions remaining after allotment of the bonus shares as aforesaid shall be consolidated into full bonus shares which shall be allotted at the discretion of the Board of Directors to any person or persons in trust for the benefit of those members who are entitled to fractional entitlements of bonus shares, for the purpose of selling such consolidated full bonus shares as soon as possible in the market and that the net sale proceeds of such consolidated full bonus shares after deducting therefrom the costs, charges and expenses of sale, shall be divided and distributed proportionately amongst those members who would be entitled to fractional entitlements of such full bonus shares.
 - (d) RESOLVED FURTHER THAT no letter of allotment shall be issued in respect of the said bonus shares but the certificates in respect of the new equity shares to be allotted as fully paid bonus shares as aforesaid shall be completed and made ready for delivery within two months of the date of allotment thereof by the Board of Directors of the Company or within such extended time as may be allowed by appropriate authorities.

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(e) RESOLVED FURTHER THAT the issue and allotment of the said bonus shares and/or payment of any sum in cash in lieu of fractional shares as aforesaid to the extent they relate to the non-resident members of the Company, will be subject to the approval of the Reserve Bank of India, as may be necessary.

(f) RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubt that may arise in relation thereto or otherwise reconsider the matter with the changed circumstances, if any, as the Board of Directors in its absolute discretion may think fit and its decision shall be final and binding on all members and other interested persons.

(g) RESOLVED FURTHER THAT the present intention of the Board of Directors to recommend, barring unforeseen circumstances, and subject to the provisions or any regulatory measures of law precluding it, the rate of dividend to the members on the expanded equity capital of the Company in the financial year immediately after the bonus issue, shall not be less than 28% be and is hereby recorded.

RESOLVED that the Board of Directors be and is hereby authorised to take such steps as may be necessary or desirable to give effect to this resolution.

Chennai
9.8.2001

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 LATER THAN 48 HOURS BEFORE THE MEETING.
2. The explanatory statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item No.6, is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 14th September, 2001 to 20th September, 2001 (both days inclusive).
4. 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, 2001.
5. 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.

Amrutanjan Limited

6. 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 dividend payment(s) are requested to make their claims to the Company.
7. All documents referred to in the notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays and holidays between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO.6.

The Company has adequate amount to the credit of General Reserve Account and the present paid-up capital of the Company is Rs.1,60,00,000/- (Rupees One crore sixty lakhs only) divided into 16,00,000 equity shares of Rs.10/- each. In the circumstances, it is felt that it will be advantageous to the Company and the members if a portion of the General Reserve is capitalised. The Board of Directors recommended issue of bonus equity shares in the proportion of three equity shares for every four equity shares held. The said bonus shares shall rank pari passu with the existing equity shares except for dividend for the financial year 31st March, 2001 and barring unforeseen circumstances, the dividend on the enhanced capital would not be less than 28%, subject to the provisions of law.

The Board recommends the adoption of the resolution. None of the Directors of the Company is interested in the resolution except to the extent they would be entitled for bonus shares in relation of their holdings of equity shares.

The record date for issue of Bonus shares will be decided by the Directors and will be intimated by advertisement in newspapers.

Chennai
9.8.2001

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

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REPORT OF THE DIRECTORS TO THE MEMBERS

The Board of Directors of your Company have pleasure in presenting the Sixty Fourth Annual Report and Audited Accounts for the year ended 31st March, 2001.

01. FINANCIAL RESULTS	Year ended 31.3.2001 Rs.	Year ended 31.3.2000 Rs.
Profit before Interest and Depreciation	10,52,59,217	11,34,18,771
Less: Interest	86,92,260	1,48,19,283
Depreciation	1,17,92,393	78,24,102
	<u>2,04,84,653</u>	<u>2,26,43,385</u>
Profit after Interest and Depreciation	8,47,74,564	9,07,75,386
Prior year adjustments (Net)	(2,13,043)	3,25,444
	<u>8,45,61,521</u>	<u>9,11,00,830</u>
Provision for taxation	(2,20,00,000)	(2,75,00,000)
Provision for Income Tax of earlier year	(10,38,360)	(2,01,922)
Provision for Investments	-	(18,119)
	<u>6,15,23,161</u>	<u>6,33,80,789</u>
Add: Transfer from Debenture Redemption Reserve Account	75,00,000	-
Add: Transfer from Profit & Loss Account Surplus Opening Balance	3,25,00,258	3,00,51,469
Profit available for Appropriation	<u>10,15,23,419</u>	<u>9,34,32,258</u>
Appropriations:		
Debenture Redemption Reserve	-	25,00,000
General Reserve	5,75,00,000	5,00,00,000
Interim Dividend paid	32,00,000	32,00,000
Tax on Interim Dividend	7,23,200	3,52,000
Final Dividend - Proposed	56,00,000	40,00,000
Tax on Final Dividend	5,71,200	8,80,000
Balance Profit carried to Balance Sheet	<u>3,39,29,019</u>	<u>3,25,00,258</u>
	<u>10,15,23,419</u>	<u>9,34,32,258</u>

02. DIVIDEND AND ISSUE OF BONUS SHARES :

Considering the profits projected for 2000-2001, your Directors have declared a Tax-free Interim Dividend of 20% on the Equity Share Capital of Rs.1.60 crores and paid during the year. The Directors now recommend payment of a Tax-free Final Dividend of 35% for the year ended 31st March, 2001 on the Capital of Rs.1.60 crores.

Your Directors also recommend issue of Bonus Shares in the ratio of three bonus shares for every four equity shares held by capitalising the Reserves of the Company, subject to your approval and further approvals, if any.

Amrutanjan Limited

03. REVIEW OF OPERATIONS

During the year under review, the sales of the Company amounted to Rs.6541.96 lakhs including exports as against Rs.6389.14 lakhs in the previous year registering an increase of 2.4%. Profit after tax amounted to Rs.615.23 lakhs as against Rs.633.81 lakhs in the previous year. The Excise Duty was increased substantially during the year under review due to change in the rate. Additions to the extent of Rs.676.76 lakhs were made to the Fixed Assets during the year.

04. PROSPECTS

Your Directors wish to inform you that the turnover for the current financial year has shown a positive trend. Your Company has given thrust on increasing the product range through inhouse R&D set up exclusively for Herbal products. The new product Diakyur for Diabetes treatment was introduced during the current year and the response was good. R&D is actively engaged in development of nutraceuticals.

Further, your Company has also tied-up with customers in India and abroad for supply of various chemicals. In this connection, your Company has also set up a plant for production of various chemicals which was commissioned during March, 2001 and this facility would generate substantial turnover and profits in the current financial year.

Your Company has also given thrust on exports for both Herbal products and Chemicals and tied up marketing for supply of such products and chemicals. This would enable the Company to earn substantial foreign exchange and also increase the turnover and profits of the Company.

Further, your Company has also entered into Research on Bio-tech products and focus on proteins and in vaccines. This would help the Company to achieve growth in the coming years.

Your Company has continuously focused on effective cost management and has taken steps for facilities to produce outsourced products and materials.

Your Directors are confident that 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, 2001, total deposits from Public and Shareholders amounted to Rs.86.36 lakhs. The Company deposited a sum of Rs.23.30 lakhs in accordance with rule 3A of the Company's (Acceptance of Deposits) Rules, 1975. Your Company has not accepted any fresh or renewed deposits after September, 2000.

Out of the deposits which became due for repayment during the financial year, 21 deposits amounting to Rs.1,23,000/- remain unclaimed as on 31st March, 2001. Subsequently, the Company has repaid 8 deposits amounting to Rs.62,000/- and for the balance 13 deposits of Rs.61,000/- remaining unclaimed for which letters have been written to these depositors before and after the date of maturity asking them for instructions.

06. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your directors confirm as under:

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;

- ii. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the directors had prepared the annual accounts on a going concern basis.

07. DIRECTORS

Sri. R. Vijayaraghavan and Sri. K.M. Mathew retire by rotation and being eligible, offer themselves for re-appointment.

08. SUBSIDIARY COMPANIES

Amrutanjan Finance Limited could not do much business during the financial year under review due to unfavourable market conditions. With an idea of improving the business of the Company it has entered into the field of e-commerce and information technology related activities after obtaining approvals from the shareholders. Accordingly, it has set up IT enabled Service Center at NSIC Software Park, Chennai with the support of your Company and technical and marketing collaboration with a subsidiary of US Company. Necessary Government approvals have also been obtained. This would enable the Company to earn substantial income and profits in the current financial year as evident from the study on the IT enabled service sector conducted by reputed associations and agencies.

Amrutanjan Drugs and Chemicals Limited has worked out ways and means of bringing project in the current financial year.

Egattur Printing and Packaging Limited has improved its performance in the last financial year even though it has incurred losses. The Company has received substantial orders from various FMCG Companies during the current year and has also taken steps to bring down cost. This would help the Company to show good performance in the current financial year.

Your Company is having long term involvement in these Companies and have taken steps to improve the business of these companies.

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

09. 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.

Amrutanjan Limited

10. 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.

11. 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.

12. ACKNOWLEDGEMENT

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

Chennai
9.8.2001

S.V. Subramaniam
S. Sambhuprasad
D. Seetharama Rao
R. Vijayaraghavan
Directors

S. Radhakrishna
Managing Director

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ANNEXURE FORMING PART OF 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 31.03.2001 (Current Year)		Year ended 31.03.2000 (Previous Year)	
	OTC	FINE CHEMICALS	OTC	FINE CHEMICALS
1. Electricity :				
a) Purchased :				
Units	4,60,867	5,80,752	4,09,199	5,23,833
Total Amount	Rs. 22,56,379	27,70,189	19,88,802	20,16,757
Rate/Unit	Rs. 4.90	4.77	4.86	3.85
b) Own Generation:				
(i) Through Diesel Generator:				
Units	22,235	1,55,244	29,070	1,42,956
Units per litre of Diesel	3.43	3.32	3.51	2.91
Cost/Unit	Rs. 5.06	5.25	4.12	4.65
(ii) Through Steam Generator:				
Units	16,320	-	54,834	-
Cost/Unit	Rs. 6.70	-	5.27	-
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 31.03.2001 Rs.	Year ended 31.03.2000 Rs.
Electricity :			
Amrutanjan Pain Balm	(9 Gms)	1.23	1.09
Amrutanjan Maha Strong Pain Balm	(9 Gms)	0.92	0.80
Fine Chemicals	(One Ton)	1,09,011	36,892
Furnace Oil, Coal and Others :	-	-	-

Amrutanjan Limited

ANNEXURE FORMING PART OF 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

Chemical Research Division

- a. Development of economically viable process for Active Pharmaceutical Ingredients, drug intermediates and fine chemicals.
- b. Custom manufacturing - Fast track process development/pilot manufacture.
- c. Technology absorption for toll manufacture for world major chemical producers.

Herbal Division

- a. Development of herbal formulations in different dosage forms such as liquid orals, tablets, capsules, ointments, creams etc.
- b. Animal studies on the therapeutic efficacies of certain specific herbal drugs in association with academic institutes/Universities.
- c. Development of new OTC healthcare products in the pain relief segment and nutraceuticals.

Bio-technology Division

Research at the bio-technology division primarily focuses on cloning and expressing human recombinant therapeutic proteins of high commercial value and in animals vaccine towards ticks will be targeted.

2. BENEFITS OF R&D

Chemical Research Division

- a. Apart from the process development, the R&D Department works in close co-ordination with the fine chemicals production department, in trouble shooting and also in the commercialisation of lab process.
- b. The Scientists in R& D are highly qualified and their rich practical knowledge in certain areas are used for training, production, establishment of impurity profiles.
- c. R&D department interacts with marketing and production departments to find out the techno economic feasibility of projects proposed for commercialisation.

Herbal Division

- a. Continuous improvement of existing product technologies for cost effectiveness.
- b. Introduction of new products in different categories facilitating horizontal growth leading to increased turnover.
- c. Tapping of export market through the introduction of new products.

Bio-technology Division

The outcome of research would benefit the Company in developing products and process/technology and thereby overcoming patent restriction. which comes into effect from 2005.

3. PLANNING FOR THE FUTURE

Chemical Research Division

- a. Interaction with various multinational companies for their new drug development which are in the various phases of clinical studies.
 - b. Introduction of new commercial products & processes.
 - c. More value added products to our customers.
-

Herbal Division

- a. Diversification to different product categories including allopathic formulations.
- b. Establishment of a full fledged research centre - standardisation of herbal formulations through development of in-house analytical methodologies and their validation.
- c. Phytochemical examination of medicinal plants leading to isolation, purification and characterisation of therapeutically active constituents which would help in obtaining reference standards and markers for analytical method development

Bio-technology Division

The division proposes to initiate a center for bio-informatics. This area of bio-technology would help the Company in identifying new genes and their proteins sequences. The division aims to attract more international bio-pharma companies for collaboration since the R&D will adhere to international standards.

4. EXPENDITURE ON R&D	Rs. in lakhs
Capital	84.77
Recurring	110.35
Total	<u>195.12</u>
Total R&D expenditure as a percentage of total turnover	2.98 %

5. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Chemical Research Division

- a. Technology which are developed in-house are validated in the pilot plant trials and then they are adapted for commercial production.
- b. Innovative methods are followed to bring down the cost of production and also to avoid the use of exotic imported reagents.
- c. Outsourcing of technologies are done mainly to reduce the time needed for development. Such outsourced technologies are fully studied and absorbed by R&D for smooth transfer of the process to production.

Herbal Division

The technologies developed through in-house R&D are scaled up effectively to large scale manufacture. Innovation leading to new formulations of specific therapeutic category like diabetics, emmenagogues etc. is expected to bring good revenue for the organisation.

Bio-technology Division

The in-house research would help the Company in developing new technologies and these will ultimately benefit in bringing revenue to the Company.

II. FOREIGN EXCHANGE EARNINGS AND OUTGO	Rs. in lakhs
Total foreign exchange earnings	315.09
Total foreign exchange outgo	88.64

**ANNEXURE 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, 2001.**

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)	20,41,265	M.A. (Chem)	41	01.06.1989	Managing Director M/s. Nageswara Rao Estates Pvt. Ltd.

- Note: a. Remuneration received includes salary, commission, taxable perquisites and company's contribution to Superannuation Fund and Gratuity Fund.
- b. Nature of employment and terms and conditions of service 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	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Sales	6,541.96	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
Employees' Salaries, Amenities etc.	700.54	648.32	584.49	453.17	358.24	363.45	329.26	261.31	235.56	201.52
Profit Before Tax & adjustments	845.61	910.83	829.28	648.55	67.31	7.55	79.14	127.58	132.66	129.69
Provision for Taxation	230.38	277.02	251.11	150.81	5.00	-	9.81	31.00	49.22	67.00
Profit After Tax	615.23	633.81	578.17	497.74	62.31	7.55	69.33	96.58	83.44	62.69
Dividend	88.00	72.00	64.00	40.00	32.00	32.00	32.00	32.00	28.80	21.60
Fixed Assets & Investments	2,141.35	1,763.57	1,209.41	747.32	615.86	521.19	430.23	331.18	227.63	171.62
Net Current Assets	1,115.18	1,073.30	1,248.16	927.11	561.89	678.99	823.85	577.34	465.18	358.45
Total Assets	3,256.53	2,836.87	2,457.57	1,674.43	1,177.75	1,200.18	1,254.08	908.52	692.81	530.07
Represented by:										
Share Capital	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	120.00
Reserves	2,314.29	1,800.00	1,250.51	742.75	289.00	261.89	286.34	249.20	184.62	174.76
Net Worth	2,474.29	1,960.00	1,410.51	902.75	449.00	421.89	446.34	409.20	344.62	294.76
Loans	782.24	876.87	1,047.06	771.68	728.75	778.29	807.74	499.32	348.19	235.31
Total	3,256.53	2,836.87	2,457.57	1,674.43	1,177.75	1,200.18	1,254.08	908.52	692.81	530.07
Earnings per share(Rs.)	38.45	39.61	36.14	31.11	3.89	0.47	4.33	6.04	5.22	5.22
Book value per share(Rs.)	154.64	122.50	88.16	56.42	28.06	26.37	27.90	25.58	21.54	24.56

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, 2001 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. On the basis of the written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2001 from being appointed as a Director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f. 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 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, 2001 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.
9.8.2001.

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 its 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 procedures 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.

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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.
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 year 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 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, 2001 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.
9.8.2001.

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

Amrutanjan Limited

BALANCE SHEET AS AT 31ST MARCH, 2001

	Schedule No.	31st March, 2001 Rs.	31st March, 2000 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,60,00,000	1,60,00,000
Reserves and Surplus	2	23,14,29,019	18,00,00,258
		24,74,29,019	19,60,00,258
Loan Funds			
Secured Loans	3	6,95,87,574	6,57,57,303
Unsecured Loans	4	86,36,000	2,19,30,000
		7,82,23,574	8,76,87,303
Total		32,56,52,593	28,36,87,561
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	23,10,51,417	16,46,32,379
Less: Depreciation		5,47,16,762	4,35,56,748
Net Block		17,63,34,655	12,10,75,631
Capital Work-in-Progress		34,05,491	2,12,46,433
		17,97,40,146	14,23,22,064
Investments			
Current Assets, Loans and Advances	6	3,43,94,928	3,40,34,928
Inventories	7	4,49,78,880	4,01,07,522
Sundry Debtors	8	6,30,12,990	6,35,78,030
Cash & Bank Balances	9	3,34,74,632	3,30,15,343
Interest Accrued		2,51,339	2,41,465
Loans & Advances	10	1,34,47,727	91,71,079
		15,51,65,568	14,61,13,439
Less: Current Liabilities and Provisions			
Current Liabilities	11	4,12,48,185	3,94,19,749
Provisions	12	94,62,993	69,99,756
		5,07,11,178	4,64,19,505
Net Current Assets		10,44,54,390	9,96,93,934
Miscellaneous Expenditure			
(To the extent not written off or adjusted)			
Deferred Revenue Expenditure (Note 6)		70,63,129	76,36,635
Total		32,56,52,593	28,36,87,561
Notes on Accounts	19		

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 S. Sambhuprasad D. Seetharama Rao
Chennai 9.8.2001	N. Srinivasan Partner	S. Muralidharan Secretary	R. Vijayaraghavan Directors

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

	Schedule No.	31st March, 2001 Rs.	31st March, 2000 Rs.	
INCOME				
Sales	13	65,41,96,276		63,89,14,585
Other Income	14	<u>73,12,789</u>		<u>74,53,481</u>
		66,15,09,065		64,63,68,066
EXPENDITURE				
Cost of Materials Consumed	15	20,85,54,617		22,53,33,494
Employees' Remuneration and Benefits	16	7,00,54,418		6,48,31,864
Excise Duty		7,72,62,372		4,53,54,613
Interest	17	86,92,260		1,48,19,283
Other Expenses	18	20,03,78,441		19,74,29,324
Depreciation		<u>1,17,92,393</u>		<u>78,24,102</u>
		57,67,34,501		55,55,92,680
Profit for the year		8,47,74,564		9,07,75,386
Prior Year Adjustments (net)		(2,13,043)		3,25,444
Profit before Tax		8,45,61,521		9,11,00,830
Provision for Taxation		(2,20,00,000)		(2,75,00,000)
Provision for Investments		-		(18,119)
Short Provision of I.T. of earlier years		(10,38,360)		(2,01,922)
Profit after Tax		6,15,23,161		6,33,80,789
Transfer from Debenture Redemption Reserve		75,00,000		-
Surplus from previous year brought forward		<u>3,25,00,258</u>		<u>3,00,51,469</u>
Profits for Appropriation		10,15,23,419		9,34,32,258
APPROPRIATION				
Debenture Redemption Reserve		-		25,00,000
General Reserve		5,75,00,000		5,00,00,000
Interim Dividend - Paid		32,00,000		32,00,000
Tax on Interim Dividend		7,23,200		3,52,000
Final Dividend - Proposed		56,00,000		40,00,000
Tax on Proposed Final Dividend		5,71,200		8,80,000
		<u>6,75,94,400</u>		<u>6,09,32,000</u>
Balance Profit carried to Balance Sheet		3,39,29,019		3,25,00,258
		10,15,23,419		9,34,32,258
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.V. Subramaniam S. Sambhuprasad D. Seetharama Rao
Chennai 9.8.2001	N. Srinivasan Partner	S. Muralidharan Secretary	R. Vijayaraghavan Directors

Amrutanjan Limited

SCHEDULES TO BALANCE SHEET

	31st March, 2001 Rs.	31st March, 2000 Rs.	
SCHEDULE-1			
SHARE CAPITAL			
Authorised			
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000	5,00,00,000	
Issued, Subscribed and Paid-up			
16,00,000 Equity Shares of Rs.10/- each fully paid-up	1,60,00,000	1,60,00,000	
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 31-3-2000 Rs.	Additions/(Deductions) during the year Rs.	As at 31-3-2001 Rs.
Debenture Redemption Reserve	75,00,000	(75,00,000)	-
General Reserve	14,00,00,000	5,75,00,000	19,75,00,000
Profit & Loss Account Surplus	<u>3,25,00,258</u>	<u>14,28,761</u>	3,39,29,019
	<u>18,00,00,258</u>	<u>5,14,28,761</u>	23,14,29,019
SCHEDULE-3			
SECURED LOANS			
17% Secured Redeemable Non-Convertible Debentures (Secured by deposit of title deeds of specific immovable property) - redeemed during the year.		-	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)		3,70,02,805	3,15,81,347
Interest accrued thereon		-	6,62,728
Term Loan from Financial Institution (Secured by charge on machinery purchased under the above loan)		15,06,513	27,94,296
Cash Credit 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)		3,10,78,256	1,57,18,932
		6,95,87,574 *	<u>6,57,57,303 *</u>
(*) Includes Rs. 155.07 lakhs (Rs. 238.46 lakhs) due for repayment within one year			
SCHEDULE-4			
UNSECURED LOANS			
Fixed Deposits	86,36,000		2,19,30,000
	86,36,000 *		<u>2,19,30,000 *</u>
(*) Includes Rs.15,54,000/- (Rs.14,65,000/-) held by Directors			

Amrutanjan Limited

SCHEDULE - 5 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31-03-2000 Rs.	Addition Rs.	Deletion Rs.	As on 31-03-2001 Rs.	As on 31-03-2000 Rs.	Addition Rs.	Deletion Rs.	As on 31-03-2001 Rs.	As on 31-03-2001 Rs.	As on 31-03-2000 Rs.
OTC BLOCK										
Goodwill	25,000	-	-	25,000	-	-	-	-	25,000	25,000
Land	57,93,596	-	-	57,93,596	-	-	-	-	57,93,596	57,93,596
Leasehold Land*	-	40,24,500	-	40,24,500	-	-	-	-	40,24,500	-
Buildings	1,57,39,627	47,18,795	-	2,04,58,422	39,98,108	7,00,342	-	46,98,450	1,57,59,972	1,17,41,519
Leasehold Property	70,000	4,50,000	-	5,20,000	48,588	16,050	-	64,638	4,55,362	21,412
Plant & Machinery	2,16,88,602	47,33,656	-	2,64,22,258	71,08,549	9,77,901	-	80,86,450	1,83,35,808	1,45,80,053
Computers	51,99,079	11,15,236	-	63,14,315	31,54,961	10,19,926	-	41,74,887	21,39,428	20,44,118
Furniture, Fixtures & Equipments	67,11,345	18,20,028	2,60,249	82,71,124	39,74,154	5,37,250	2,45,216	42,66,188	40,04,936	27,37,191
Vehicles	44,57,074	12,12,265	4,21,507	52,47,832	22,64,857	7,12,301	2,02,793	27,74,365	24,73,467	21,92,217
Fine Chemicals - Block										
Buildings	1,33,04,031	24,39,419	-	1,57,43,450	1,12,613	14,29,716	-	15,42,329	1,42,01,121	1,31,91,418
Plant & Machinery	1,35,16,571	3,71,74,182	-	5,06,90,753	1,71,415	7,69,247	-	9,40,662	4,97,50,091	1,33,45,156
Furniture, Fixtures & Equipments	-	15,10,546	-	15,10,546	-	1,17,711	-	1,17,711	13,92,835	-
R & D Block										
Buildings	1,09,82,761	8,17,411	-	1,18,00,172	28,95,767	4,20,043	-	33,15,810	84,84,362	80,86,994
Plant & Machinery	2,49,56,297	71,81,825	1,78,114	3,19,60,008	93,52,359	11,93,350	41,939	1,05,03,770	2,14,56,238	1,56,03,938
Pilot Plant	3,73,82,104	47,250	3,37,531	3,70,91,823	76,47,346	34,89,372	88,531	1,10,48,187	2,60,43,636	2,97,34,758
Computers	4,18,370	93,750	-	5,12,120	1,21,626	1,34,209	-	2,55,835	2,56,285	2,96,744
Lab Equipments - Furniture & Fixtures	43,87,922	3,37,476	59,900	46,65,498	27,06,405	2,74,975	53,900	29,27,480	17,38,018	16,81,517
Total	16,46,32,379	6,76,76,339	12,57,301	23,10,51,417	4,35,56,748	1,17,92,393	6,32,379	5,47,16,762	17,63,34,655	12,10,75,631
As per last Balance Sheet	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
Capital Work-in-Progress (includes Capital Advances of Rs. 6,56,046/-) *registered lease deed yet to be received									34,05,491	2,12,46,433

Amrutanjan Limited

SCHEDULES TO BALANCE SHEET

	Face Value Rs.	31st March, 2001 Rs.	31st March, 2000 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 (matured during the year)	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	2,14,500	2,14,500	2,14,500
36,100 Equity Shares in Indian Overseas Bank of Rs. 10 each fully paid (subscribed during the year)	3,61,000	3,61,000	-
100 6 % Cumulative Preference Shares in Metal Box Limited of Rs.100/- each fully paid	10,000	11,684	11,684
Investments in Subsidiaries (Unquoted) :			
24,04,407 Equity Shares in Amrutanjan Finance Limited of Rs.10/- each fully paid	2,40,44,070	2,50,11,428	2,50,11,428
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
		3,46,21,112	3,42,61,112
Less : Provision for Investments		2,26,184	2,26,184
		3,43,94,928	3,40,34,928
Quoted Investments - Cost		5,87,184	2,26,184
- Market Value		2,77,970	-
Unquoted Investments - Cost		3,40,33,928	3,40,34,928
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		2,10,12,508	1,53,14,096
Packing Materials		67,70,762	42,87,085
Process Stock		29,64,943	45,35,495
Finished Stock		1,42,30,667	1,59,70,846
		4,49,78,880	4,01,07,522

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SCHEDULES TO BALANCE SHEET

	31st March, 2001 Rs.	31st March, 2000 Rs.
SCHEDULE-8		
SUNDRY DEBTORS (Unsecured)		
Over six months :		
Considered good	35,93,987	44,60,879
Considered doubtful	<u>-</u>	<u>46,94,515</u>
	35,93,987	91,55,394
Less: Provision for doubtful debts	<u>-</u>	<u>46,94,515</u>
	35,93,987	44,60,879
Others, considered good	<u>5,94,19,003</u>	<u>5,91,17,151</u>
	<u>6,30,12,990</u>	<u>6,35,78,030</u>
SCHEDULE-9		
CASH AND BANK BALANCES		
Cash in hand	2,66,576	2,99,720
Cheques in hand and in transit	82,03,067	1,31,04,974
Balance with Scheduled Banks:		
In Current Accounts (including Rs.9,03,345/- (Rs. 4,74,971/-) in Unclaimed Dividend A/c.and in Export Earners Foreign Currency A/c Rs. 18,92,071/-)	60,03,263	1,60,40,325
In Deposit Accounts [including Rs.16,71,726/- (Rs. 12,07,074/-) lodged with Bank as security for Guarantees issued]	1,89,71,726	35,40,324
In Deposit Account with HDFC	<u>30,000</u>	<u>30,000</u>
	<u>3,34,74,632</u>	<u>3,30,15,343</u>
SCHEDULE-10		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in Cash or in kind for value to be received	1,04,20,251	74,19,458
Deposits	<u>30,27,476</u>	<u>17,51,621</u>
	<u>1,34,47,727</u>	<u>91,71,079</u>
SCHEDULE-11		
CURRENT LIABILITIES		
Creditors for Purchases		
- SSI units	51,690	11,97,616
- Others	80,80,067	39,69,935
Creditors for Expenses (including Rs.12,42,718/- (Rs. 13,48,364/-) due to Managing Director)	1,95,50,997	2,10,05,148
Creditors for Capital Goods	35,91,438	42,50,501
Unclaimed Dividend	9,03,345	4,74,971
Other Liabilities	82,58,662	74,13,065
Interest accrued but not due	<u>8,11,986</u>	<u>11,08,513</u>
	<u>4,12,48,185</u>	<u>3,94,19,749</u>
SCHEDULE-12		
PROVISIONS		
Provision for Taxation (Net of Advance payments, TDS)	23,29,285	15,78,938
Proposed Dividend	56,00,000	40,00,000
Tax on Dividend	5,71,200	8,80,000
Provision for Employee Retirement Benefits	<u>9,62,508</u>	<u>5,40,818</u>
	<u>94,62,993</u>	<u>69,99,756</u>

Amrutanjan Limited

SCHEDULES TO PROFIT & LOSS ACCOUNT

	31st March, 2001 Rs.	31st March, 2000 Rs.
SCHEDULE-13		
SALES		
OTC products	59,70,63,625	56,42,50,386
Chemicals	<u>5,71,32,651</u>	<u>7,46,64,199</u>
	65,41,96,276	63,89,14,585
SCHEDULE-14		
OTHER INCOME		
Income from Investments [TDS Rs. 32,892/- (Rs.33,876/-)]	1,48,579	1,78,464
Interest - Bank Deposits [TDS Rs. 3,49,181/- (Rs.54,138/-)]	15,33,861	5,19,319
Interest - Others [TDS Rs. 65,949/- (Rs. 5,30,610/-)]	4,29,728	24,48,983
Insurance Claims	25,70,796	20,17,859
Rent receipts [TDS Rs. 79,560/- (Rs. 79,200/-)]	6,03,500	4,77,000
Scrap sales	9,14,124	6,75,072
Profit on Sale of Fixed Assets	14,430	1,06,981
Sundry balances written back (Net)	4,95,585	6,54,167
Bad debts recovered	99,132	-
Exchange Difference (Net)	32,273	-
Miscellaneous Receipts	<u>4,70,781</u>	<u>3,75,636</u>
	73,12,789	74,53,481
SCHEDULE-15		
COST OF MATERIALS CONSUMED		
Opening Stock :		
Raw Materials	1,53,14,096	1,01,66,315
Packing Materials	<u>42,87,085</u>	<u>36,45,249</u>
	1,96,01,181	1,38,11,564
Add: Purchases :		
Raw Materials	10,73,35,861	12,22,53,591
Packing Materials	<u>9,00,48,684</u>	<u>8,28,17,697</u>
	19,73,84,545	20,50,71,288
	21,69,85,726	21,88,82,852
Less: Closing Stock :		
Raw Materials	2,10,12,508	1,53,14,096
Packing Materials	<u>67,70,762</u>	<u>42,87,085</u>
	2,77,83,270	1,96,01,181
Consumption of Raw & Packing Materials	18,92,02,456	19,92,81,671
Add : Processing Charges	36,81,695	34,93,232
Add : Products Purchased	1,23,59,735	2,00,83,704
Stock Adjustments	<u>33,10,731</u>	<u>24,74,887</u>
	20,85,54,617	22,53,33,494
(INCREASE) / DECREASE IN STOCK		
Opening Stock		
Finished Goods	1,59,70,846	1,63,72,370
Process Stock	<u>45,35,495</u>	<u>66,08,858</u>
	2,05,06,341	2,29,81,228
Closing Stock		
Finished Goods	1,42,30,667	1,59,70,846
Process Stock	<u>29,64,943</u>	<u>45,35,495</u>
	1,71,95,610	2,05,06,341
	<u>33,10,731</u>	<u>24,74,887</u>

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SCHEDULES TO PROFIT & LOSS ACCOUNT

	31st March, 2001 Rs.	31st March, 2000 Rs.
SCHEDULE-16		
EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	5,32,56,380	4,75,28,735
Managing Director's Remuneration & Commission	25,95,151	25,79,687
Contribution to Employees Provident, Gratuity and Other Funds	1,07,43,713	1,08,70,323
Welfare Expenditure	<u>34,59,174</u>	<u>38,53,119</u>
	<u>7,00,54,418</u>	<u>6,48,31,864</u>
SCHEDULE-17		
INTEREST		
Debentures and Other Fixed Loans	72,26,659	1,14,94,000
Others	<u>14,65,601</u>	<u>33,25,283</u>
	<u>86,92,260</u>	<u>1,48,19,283</u>
SCHEDULE-18		
OTHER EXPENSES		
Power & Fuel	74,66,529	63,04,576
Repairs & Maintenance :		
Building	11,04,200	21,04,213
Machinery	28,71,575	21,73,132
Others	19,10,348	15,69,988
Freight and Transport Charges	1,06,32,445	1,03,25,607
Advertisement	5,05,19,839	4,74,68,802
Selling Expenses	2,72,94,104	2,54,85,620
Commission on sales	3,77,754	2,54,584
Bad Debts written off (Net) (Net of Provision adjusted Rs. 46,94,515/-)	5,91,646	14,83,327
Sales Tax	4,42,28,358	4,69,64,467
Rates and Taxes	19,96,841	24,81,370
Insurance	25,46,691	20,74,774
Travelling Expenses	1,33,47,797	1,28,37,919
Conveyance	14,39,559	13,89,731
Retainer and Consultancy	15,48,542	15,02,628
Security Charges	25,97,820	11,49,532
Rent	11,67,257	10,78,245
Printing & Stationery	18,86,676	18,66,593
Postage & Telegrams	13,09,673	14,42,471
Communication Expenses	37,56,306	43,58,727
Legal Expenses	4,16,566	2,87,161
Research & Development Expenses (Note 10)	1,10,35,442	76,89,156
Lease Rentals	-	16,72,190
Bank Charges	31,47,256	38,14,189
Donations	7,00,200	9,77,574
Auditor's Remuneration :		
Audit Fees	1,50,000	1,25,000
Tax Audit	35,000	35,000
Tax Representation	40,000	-
Certification	37,000	-
Others - Service Tax	11,250	13,000
Directors Sitting Fees	76,000	71,000
Provision for doubtful debts	-	17,28,148
Loss on Fixed Assets sold/discarded	1,51,208	2,82,440
Miscellaneous Expenses	<u>59,84,559</u>	<u>64,18,160</u>
	<u>20,03,78,441</u>	<u>19,74,29,324</u>

Amrutanjan Limited

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2001

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. Fixed Assets are stated at cost (net of CENVAT wherever applicable) less accumulated depreciation. Cost comprises of direct costs and in the case of Plant & Machinery interest on loan taken for the acquisition of assets upto the date of commissioning of the assets. 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 pro-rata from the date of addition. Freehold / Leasehold 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. 6,00,000/- (Rs. 50,000/-)
- b. Guarantees/Letter of Credit issued on behalf of the Company by Banks - Rs.61,94,893/- (Rs.48,84,141/-)
- c. Guarantees given to Banks on behalf of Amrutanjan Finance Limited - Rs.3,40,27,460/- (Rs. 2,15,00,000/-) and guarantees given to Financial Institution/Bank on behalf of Egattur Printing and Packaging Limited Rs.3,00,00,000/- (Rs. 1,31,00,000/-)
- d. Bills discounted by the Company Rs.22,43,397/- (Rs.27,92,894/-)
- e. Appeals filed in respect of disputed demands:

	2000-2001	1999-2000
Income Tax	Rs. 16,26,014	16,26,014
Urban Land Tax	Rs. 2,83,778	5,77,555
Excise Duty	Rs. -	8,68,503
3. Estimated amount of capital expenditure commitments Rs.37,70,000/- (Rs. 34,00,000/-)
4. Claims against the Company not acknowledged as debt Rs. 10,48,350/- (Rs. 10,48,350/-)
5. 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 three 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.

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6 *Deferred Revenue expenditure to the extent not written off comprises balance of advertisement expenses incurred towards advertisement film production cost including Rs.42.37 lakhs(Rs.43.40 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.48.11 lakhs (Rs.44.43 lakhs) has been charged to revenue account.*

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

	2000 - 2001	1999 - 2000
	Rs.	Rs.
8 Products Purchased	1,23,59,735	2,00,83,704

9. MANAGING DIRECTOR'S REMUNERATION

	31-03-2001	31-03-2000
	Rs.	Rs.
Salary	3,80,000	3,56,000
Contribution to Gratuity Fund	15,360	35,500
Contribution to Superannuation Fund	1,02,060	95,580
Other Perquisites	3,07,772	1,97,996
Commission as per computation below	<u>12,36,073</u>	<u>13,14,081</u>
	<u>20,41,265</u>	<u>19,99,157</u>
Guarantee Commission	5,53,886	5,80,530
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		8,45,61,521
Add: Depreciation as per Profit & Loss A/c.	1,17,92,393	
Profit on sale of fixed assets as per Section 349 of the Companies Act, 1956	1,18,383	
Loss on fixed assets sold / discarded as per Profit & Loss A/c	1,51,208	
Directors Sitting Fees	76,000	
Remuneration to Managing Director	20,41,265	
Deferred Revenue Expenditure (Net)	<u>5,73,506</u>	
		<u>1,47,52,755</u>
		<u>9,93,14,276</u>

Less : Depreciation as per Section 350 of the Companies Act, 1956	1,67,91,474	
Profit on sale of fixed assets as per Profit & Loss A/c.	14,430	
Loss on fixed assets sold / discarded as per Section 350 of the Companies Act, 1956	<u>1,03,498</u>	

Profit available for payment of commission		<u>1,69,09,402</u>
Commission @ 1.5%		<u>8,24,04,874</u>
		12,36,073

10. Research & Development expenses incurred:

	31-3-2001	31-3-2000
	Rs.	Rs.
Materials & Consumables	16,46,212	15,22,994
Salaries, Bonus etc.	46,81,379	35,15,464
Power & Fuel	15,56,256	13,02,335
Travelling, Printing & Stationery etc.	<u>31,51,595</u>	<u>13,48,363</u>
	<u>1,10,35,442</u>	<u>76,89,156</u>

11. Production, Purchases, Turnover & Stock

Class of Goods	Unit	Opening Stock				Closing Stock				Turnover (net of sales returns)				Production / Purchases	
		As at 31.3.2001		As at 31.3.2000		As at 31.3.2001		As at 31.3.2000		2000-2001		1999-2000		2000-2001	1999-2000
		Qty.	Value(Rs.)	Qty.	Value (Rs.)	Qty.	Value(Rs.)	Qty.	Value(Rs.)	Qty.	Value(Rs.)	Qty.	Value (Rs.)	Qty.	Qty.
AMRUTANJAN PAIN BALM	(Tons)	19.466	88,23,684	13.064	75,89,678	18.884	99,72,204	19.466	88,23,684	501.033	55,70,83,179	508.044	51,92,72,199	500.451	514.446
INHALER & OTHERS	(Tons)	10.507	33,55,949	3.999	32,00,934	5.854	30,57,606	10.507	33,55,949	29.177	1,95,31,655	16.681	1,97,28,847	24.524	23.189
AGENCY PRODUCTS	(Tons)	36.558	32,23,698	15.130	12,73,095	10.635	8,71,634	36.558	32,23,698	157.693	2,04,48,791	199.883	2,52,49,340	131.770	221.311
CHEMICALS	(Tons)	0.992	5,67,515	6.236	43,08,663	0.977	3,29,223	0.992	5,67,515	25.844	5,71,32,651	77.651	7,46,64,199	25.829	72.407
			1,59,70,846		1,63,72,370		1,42,30,667		1,59,70,846		65,41,96,276		63,89,14,585		

		2000-2001		1999-2000	
		Rs.		Rs.	
12. Details of Raw Materials Consumed:					
Particulars	Quantity	Value (Rs.)	Quantity	Value (Rs.)	
Karpoor Powder (Tons)	37.619	33,22,023	35.987	37,80,666	
Pudina Ka Phool (Tons)	48.027	2,43,51,521	50.897	3,06,41,973	
Nilgiri Ka Tel (Tons)	52.420	1,19,26,412	50.502	1,25,50,864	
Winter Green Tel (Tons)	36.472	40,00,608	56.054	54,61,343	
Chaha Ka Tel (Tons)	18.043	75,54,330	17.339	86,68,990	
Solvents (Tons)	357.330	52,33,874	479.764	56,01,068	
Chemicals (Tons)	248.292	2,06,11,900	351.384	2,64,61,195	
Others		<u>2,46,36,781</u>		<u>2,39,39,711</u>	
		<u>10,16,37,449</u>		<u>11,71,05,810</u>	
13. Earnings in Foreign Exchange:(on Accrual basis)					
		2000 - 2001		1999 - 2000	
		Rs.		Rs.	
Export Sales (F.O.B. Value)		3,15,09,379		3,38,80,303	
14. Value of imports on C.I.F. basis:					
a. Raw Materials		62,64,031		1,00,88,469	
b. Capital Goods		8,91,588		-	
15. Expenditure in Foreign Currency:(on remittance basis)					
a. Travelling Expenses		5,49,689		14,82,905	
b. Others		11,58,996		2,40,419	
16. Raw Materials Consumed:					
		2000-2001		1999-2000	
	Percentage	Value (Rs.)	Percentage	Value (Rs.)	
a. Imported	6.38	64,82,245	6.54	76,64,537	
b. Indigenous	93.62	<u>9,51,55,204</u>	93.46	<u>10,94,41,273</u>	
		<u>10,16,37,449</u>		<u>11,71,05,810</u>	

Amrutanjan Limited

17. 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. | 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 |
|----|----------------|---------|

18. 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 S. Sambhuprasad D.Seetharama Rao
Chennai 9.8.2001	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. State Code

Balance Sheet Date Date Month Year
 - -

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

Public Issue	Rights Issue
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>
Bonus Issue	Private Placement
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>

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

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

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

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

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

Item Code (ITC Code)

Product Description

As per our Report of even date For P.S.Subramania Iyer & Co. Chartered Accountants Chennai 9.8.2001	S. Radhakrishna Managing Director S. Muralidharan Secretary	S.V. Subramaniam S. Sambhuprasad D. Seetharama Rao R. Vijayaraghavan Directors
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Amrutanjan Limited

CASH FLOW STATEMENT FOR THE YEAR 2000-2001

A. CASH FLOW FROM OPERATING ACTIVITIES:	31.3.2001	31.3.2000
	Rs.	Rs.
Net Profit before tax and extraordinary items	8,45,61,521	9,11,00,830
Adjustments for:		
- Depreciation	1,17,92,393	78,24,102
- Exchange Difference	11,567	-
- Provision for Employee Retirement Benefits	4,21,690	1,98,353
- Interest Received	(21,12,168)	(31,46,766)
- Profit on sale of fixed assets	(14,430)	(1,06,981)
- Interest paid	86,92,260	1,48,19,283
- Loss on Fixed Assets sold / discarded	1,51,208	2,82,440
- Deferred revenue expenditure(Net)	5,73,506	1,02,544
Operating Profit before Working Capital Changes	10,40,77,547	11,10,73,805
Adjustments for:		
- Trade & other receivables	(37,11,608)	1,46,34,450
- Inventories	(48,71,358)	(33,14,730)
- Trade Payables	18,28,436	(59,17,861)
Cash generated from operations	9,73,23,017	11,64,75,664
Direct taxes paid	(2,22,88,013)	(2,89,86,286)
Cash flow before extraordinary items	7,50,35,004	8,74,89,378
Extraordinary items	-	-
Net Cash from operating activities	7,50,35,004	8,74,89,378
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets including Capital Work-in-Progress	(4,98,35,397)	(5,38,01,427)
Sale of Fixed Assets	4,88,144	3,68,000
Acquisitions of Companies	-	-
Purchase of Investments	(3,61,000)	(1,00,00,000)
Sale of Investments	1,000	-
Interest received	21,02,294	29,05,301
Dividend received	-	-
Net Loans to Other Companies	-	1,46,84,384
Project related expenses	-	-
Net Cash used in Investing Activities	(4,76,04,959)	(4,58,43,742)

C. CASH FLOW FROM FINANCING ACTIVITIES :

Net Increase/(Decrease) in Bank Borrowings	1,53,59,324	(2,45,95,623)
Proceeds from long term borrowings	1,54,21,458	2,10,76,166
Repayment of long term / other borrowings	(4,02,44,511)	(1,34,99,486)
Dividend paid (including Interim Dividend and Dividend Tax)	(88,03,200)	(88,32,000)
Interest paid	(86,92,260)	(1,48,19,283)
Net Cash used in financing activities	<u>(2,69,59,189)</u>	<u>(4,06,70,226)</u>
Net Increase in cash & cash equivalents	<u>4,70,856</u>	<u>9,75,410</u>
Cash and cash equivalents - Opening balance	3,30,15,343	3,20,39,933
Cash and cash equivalents - Closing balance	3,34,86,199	3,30,15,343

Notes to the Cash Flow Statement

1. Cash and Cash equivalents include :

Cash and Bank balances	3,34,74,632	3,30,15,343
Unrealised exchange loss	11,567	-
Total Cash and Cash equivalents	<u>3,34,86,199</u>	<u>3,30,15,343</u>

2. Previous years figures have been regrouped wherever necessary to conform to this year's classification.

Chennai 9.8.2001	S. Muralidharan Secretary	S. Radhakrishna Managing Director	S.V. Subramaniam S. Sambhuprasad D. Seetharama Rao R. Vijayaraghavan Directors
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Auditor's Certificate

We have examined the attached Cash Flow Statement of Amrutanjan Limited for the year ended March 31, 2001. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with stock exchange and is based on and in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company covered by our report of 9th August, 2001 to the members of the Company.

109/2, St. Mary's Road,
(1st Floor),
Chennai 600 018.
9.8.2001.

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.	(1,01,70,974)
	(ii) for the previous financial years since the date of Holding and Subsidiary relationship	Rs.	(1,01,67,017)
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 9.8.2001	S.Muralidharan Secretary	S.Radhakrishna Managing Director	S.V.Subramaniam S. Sambhuprasad D.Seetharama Rao R.Vijayaraghavan 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.	(2,917)
	(ii) for the previous financial years since the date of Holding and Subsidiary relationship	Rs.	21,93,230
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 9.8.2001	S.Muralidharan Secretary	S.Radhakrishna Managing Director	S.V.Subramaniam S.Sambhuprasad D.Seetharama Rao R.Vijayaraghavan Directors

64th Annual Report

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. (41,30,298) |
| (ii) for the previous financial years since the date of Holding and Subsidiary relationship | Rs.(1,11,50,106) |
| 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 **S.Muralidharan**
9.8.2001 Secretary

S.Radhakrishna
Managing Director

S.V.Subramaniam
S.Sambhuprasad
D.Seetharama Rao
R.Vijayaraghavan
Directors

Amrutanjan Drugs and Chemicals Limited

DIRECTORS' REPORT

To the members

Your Directors have pleasure in presenting their Twelfth Annual Report together with the audited statement of accounts for the year ended 31st March, 2001.

FINANCIAL RESULTS	Rs.
Surplus - Opening Balance	21,96,965.49
Less : Loss for the year	(2,922.00)
Surplus carried forward to Balance Sheet	21,94,043.49

PROSPECTS

Your Company is working out modalities for implementing the available know-how on commercial scale and also other projects for which necessary arrangements are being made in the current financial year.

DEPOSITS

The Company has not accepted any Fixed Deposits.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your directors confirms as under.

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.

DIRECTORS

Dr. S.Vydeeswaran, 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 read with Companies (Particulars of Employees) Rules 1975 as amended.

CONSERVATION OF ENERGY

There is no information required under Section 217(1)(e) of the Companies Act, 1956 read with Rules thereunder as the Company has not undertaken any manufacturing activity.

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
6.8.2001

S.M.S.Abuthahir Ali
S. Muralidharan
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, 2001 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.
 - On the basis of the written representations from the Directors, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2001 from being appointed as a Director under clause (g) of sub-section (1) of Section 274 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 together 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, 2001 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
6.8.2001

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, 2001.
- 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 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 to any person.
- 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 (c) 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
6.8.2001

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

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BALANCE SHEET AS AT 31ST MARCH, 2001

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

SOURCE OF FUNDS	As at 31.3.2001 Rs.	As at 31.3.2000 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 and paid-up		
2404 Equity Shares of Rs.10/- each (Out of the above 2100 Equity Shares are held by the Holding Company, Amrutnjan Limited and 300 fully paid-up Equity Shares are held in the names of its nominees)	<u>24,040.00</u>	<u>24,040.00</u>
RESERVES & SURPLUS		
Surplus in Profit & Loss Account	<u>21,94,043.49</u>	<u>21,96,965.49</u>
LOAN FUNDS		
Unsecured loans - Others	<u>3,00,000.00</u>	<u>3,00,000.00</u>
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities:		
Sundry Creditors		
S.S.I.	-	-
Others	<u>500.00</u>	<u>3,000.00</u>
Provisions:		
Provision for Taxation	<u>5,000.00</u>	<u>18,000.00</u>
Total	<u>25,23,583.49</u>	<u>25,42,005.49</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
Technical Know-how	<u>25,00,000.00</u>	<u>25,00,000.00</u>
CURRENT ASSETS, LOANS AND ADVANCES		
Current Assets:		
Cash in hand	-	-
Balance with Scheduled Bank	<u>8,455.49</u>	<u>26,877.49</u>
Loans and Advances:		
Income-tax paid	<u>10,628.00</u>	<u>10,628.00</u>
Deposits	<u>4,500.00</u>	<u>4,500.00</u>
Total	<u>25,23,583.49</u>	<u>25,42,005.49</u>

INCOME	31.3.2001 Rs.	31.3.2000 Rs.
Sales
Total	<u>..</u>	<u>..</u>
EXPENDITURE		
Miscellaneous Expenses	<u>2,300.00</u>	<u>4,386.00</u>
Auditor's Remuneration for Audit	<u>500.00</u>	<u>500.00</u>
Bank Charges	<u>122.00</u>	<u>..</u>
Total	<u>2,922.00</u>	<u>4,886.00</u>
Profit / (Loss) for the year	<u>(2,922.00)</u>	<u>(4,886.00)</u>
Add : Surplus of Previous Year	<u>21,96,965.49</u>	<u>22,01,851.49</u>
Balance Profit carried to Balance Sheet	<u>21,94,043.49</u>	<u>21,96,965.49</u>

NOTES ON ACCOUNTS

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

As per our Report of even date
For **P.S.Subramania Iyer & Co.,**
Chartered Accountants
Chennai
6.8.2001

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

As per our Report of even date
For **P.S.Subramania Iyer & Co.,**
Chartered Accountants
Chennai
6.8.2001

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

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 2001
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)

Sources Of Funds:	Total Liabilities	Total Assets
	2524	2524
	Paid-up Capital	Reserves & Surplus
	24	2194
	Secured Loans	Unsecured Loans
	NIL	300
Application of Funds:	Net Fixed Asset	Investments
	2500	NIL
	Net Current Assets	Misc. Expenditure
	18	NIL
	Accumulated Losses	
	N.A	

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

Turnover	Total Expenditure
NIL	2.9
Profit Before Tax	Profit After Tax
(2.9)	(2.9)
Earnings per share	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

Chennai
6.8.2001

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

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

REPORT OF THE DIRECTOR'S TO THE MEMBERS

Your Directors present their Thirteenth Annual Report and Audited Accounts for the year ended March 31, 2001

FINANCIAL HIGHLIGHTS

	2000-2001 (Rs. in Lakhs)	1999-2000 (Rs. in Lakhs)
1. Gross Income	178.60	255.69
2. Profit before Depreciation & Provision	9.53	52.49
3. Depreciation & Provision	(155.58)	(218.31)
4. Profit/(Loss) before Tax	(146.05)	(165.82)
5. Provision for Tax	-	-
6. Profit/(Loss) after Tax	(146.05)	(165.82)

PERFORMANCE HIGHLIGHTS

1. Gross Disbursement		
- Hire Purchase	222.10	172.64
- Lease	11.62	45.84
- Bill Discounting	0.75	1.75
- Car Booking	-	0.50
- Loans	3.23	28.11
2. Deposits	445.41	506.47

REVIEW OF PERFORMANCE DURING THE YEAR

In 2000-01, the industrial sector of the Indian Economy grew by just 4.9% as against 6.7% in the previous year. The auto sector recorded a significant slow down. Market scenario for commercial vehicles remained sluggish during the current year with private sector sales registered 19% decrease. Unequal competition from Banks, Financial Institution continue and in order to retain customers, NBFC's have had to reduce their margins resulting in pressure on profitability.

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 utilized for repayment of deposits. Your Company has taken steps to reduce the finance charges during the year under review and resulted in substantial reduction in Finance Charges

Your Company is having BBB-(so) rating from Fitch Rating India Ltd., for its Fixed Deposit Programme.

With regard to Non-Performing Assets (NPA), Company could make substantial recovery and in view of this provisions have come down by Rs.32 lacs when compared to previous year. This Recovery trend will continue in the current year also. Your Directors regret their inability to recommend any dividend.

FUTURE PROSPECTS

Your Company will continue to do Finance business in automobile segment with effective cost management. This would help your Company to achieve better results in the current financial year.

Your Company has diversified into IT related activities as decided in the last Annual General Meeting. Your Company has setup an International Call Center in Software Technology Park, Chennai in collaboration with M/s.Enhancement Technologies India (P) Ltd., a 100% subsidiary of M/s.Apiant Technologies Inc, California, USA

They have supplied the software and extended marketing tie-up and training for our personnel. Necessary personnel have been selected and trained and will start operations shortly with orders from USA in Business processing area.

We have secured substantial orders from Singapore in Software Development. We have already created necessary Infrastructure and recruited Software Professionals to execute the orders. Both the Call Center and Software Development Division are likely to earn substantial income and thereby achieving good profits in the current financial year.

DIRECTORS

Sri.S. Radhakrishna and Sri. D. Seetharama Rao retire by rotation at the Annual General Meeting and being eligible offer themselves for re-election.

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 the limits prescribed under the Rules.

Your Company has no activities relating to Conservation of Energy or Technology Absorption during the year 2000-2001 and expenditure in foreign currency amounted to Rs.149.43 lakhs on account of capital goods.

PUBLIC DEPOSITS

As on 31st March, 2001, the total deposits from public and shareholders amounted to Rs. 445.41 lakhs. The Company has deposited a sum of Rs. 81.48 lakhs as Liquid Assets in accordance with Rules.

The Company held 144 matured deposits amounting to Rs.17,43,840/- (remain unclaimed) as on 31st March, 2001 of which Rs.8,28,626/- (No.of depositors 77) has since been renewed/repaid and for remaining unclaimed deposits, letters have been written for instructions.

With respect to the Auditors' remarks of Non provision of depreciation in Note 12 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.

With respect to Clause 8 of Auditors Report and 5 (ii) in Schedule N regarding NOF position as on 31/03/2001 and Fixed Deposits position thereon, your Company has complied with statutory provisions in respect of deposits accepted by the Company. Further, your Company has received Rs.30 lakhs by way of Tier I Capital and Rs.100 lakhs by way of Tier II Capital in the current financial year and decided not to accept any fresh deposits or renewals and repay the deposits as and when they mature.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your directors confirms as under.

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- ii that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv that the directors had prepared the annual accounts on a going concern basis.

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
S.MURALIDHARAN
DIRECTORS**

PLACE : CHENNAI
DATE : 09.8.2001

13th Annual Report

REPORT OF THE AUDITORS' TO THE MEMBERS OF AMRUTANJAN FINANCE LTD.

We have audited the attached Balance Sheet of the Company as at 31st March 2001 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 1988, 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) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2001 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi) 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. 12 regarding non provision of depreciation of Rs.2,42,806/- during the year and aggregating Rs. 26,88,188/- till 31st March, 2001 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, 2001 while the Profit and Loss Account gives a true and fair view of the Loss for the year ended on that date.

"Guhalaya" Flat No. B-7
No. 179, Royapettah High Road
Mylapore, Chennai - 600 004
Date : 09.8.2001

For SHANKER GIRI & PRABHAKAR
CHARTERED ACCOUNTANTS
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 Loan taken from a Company under the same management as defined under section 370 (1-B) of the Companies Act, 1956 has been repaid during the year. 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

- (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 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 some 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. **However, consequent to the erosion of net worth of the Company as at 31/3/2001, the entire deposits held by the Company would be in excess of the limits specified by the Non Banking Financial Companies (Reserve Bank) Directions, 1998.**
- (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.1,65,000/- 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
P.PRABHAKAR RAO
Partner

Place : CHENNAI
Date : 09.8.2001

Amrutanjan Finance Limited

BALANCE SHEET AS AT 31ST MARCH, 2001

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

		As at Schedule 31.3.2001 Rs.	As at 31.3.2000 Rs.			Schedule 31.3.2001 Rs.	31.3.2000 Rs.
SOURCES OF FUNDS				INCOME			
SHAREHOLDERS' FUNDS							
Share Capital	A	3,45,27,980	3,45,27,980	Income from Hire Purchase		57,86,071	68,82,133
Reserves & Surplus	B	<u>37,49,498</u>	<u>37,49,498</u>	Income from Lease		87,42,922	1,23,89,577
		<u>3,82,77,478</u>	<u>3,82,77,478</u>	Bill discounting charges		16,674	31,249
				Other Income	K	<u>33,13,992</u>	<u>62,66,101</u>
						<u>1,78,59,659</u>	<u>2,55,69,060</u>
LOAN FUNDS				EXPENDITURE			
Secured loan	C	2,88,02,174	2,05,17,771	Administration Expenses	L	53,20,269	48,35,483
Unsecured loan	D	<u>5,87,90,642</u>	<u>5,21,47,445</u>	Financing charges	M	1,15,86,233	1,54,51,959
		<u>12,58,70,294</u>	<u>11,09,42,694</u>	Bad Debts & Non Performing assets (Net)		60,43,776	92,04,708
				Depreciation		95,14,456	1,26,25,727
				Preliminary expenses written off		-	33,498
						<u>3,24,64,734</u>	<u>4,21,51,375</u>
APPLICATION OF FUNDS				NET LOSS FOR THE YEAR			
FIXED ASSETS							
Gross Block	E	2,25,26,945	3,60,07,044	NET LOSS FOR THE YEAR		(1,46,05,075)	(1,65,82,315)
Less: Depreciation		<u>1,09,56,365</u>	<u>1,74,14,719</u>	Add: Balance as at the beginning of the year		(2,53,01,442)	(87,19,127)
Net Block		1,15,70,580	1,85,92,325				
Capital Work in Progress (Note 6)		1,81,17,022	-				
		<u>2,96,87,602</u>	<u>1,85,92,325</u>				
				BALANCE CARRIED TO BALANCE SHEET		<u>(3,99,06,517)</u>	<u>(2,53,01,442)</u>
INVESTMENTS - AT COST	F	64,25,752	96,23,952				
CURRENT ASSETS,				NOTES ON ACCOUNTS N			
LOANS AND ADVANCES							
Stock on hire		4,60,46,955	4,95,90,826	<p>This is the Profit & Loss Account referred to in our Report of even date For SHANKER GIRI & PRABHAKAR CHARTERED ACCOUNTANTS P.PRABHAKAR RAO Partner</p>			
Debtors	G	1,03,35,608	1,04,23,877				
Cash and Bank Balances	H	1,13,57,991	18,63,879				
Loans and Advances	I	2,40,23,626	2,69,15,594				
Interest Accrued		<u>15,98,550</u>	<u>55,86,285</u>				
		9,33,62,730	9,43,80,461				
LESS: CURRENT LIABILITIES AND PROVISIONS							
	J	4,35,12,307	3,69,55,486				
NET CURRENT ASSETS		<u>4,98,50,423</u>	<u>5,74,24,975</u>				
PROFIT AND LOSS ACCOUNT		<u>3,99,06,517</u>	<u>2,53,01,442</u>				
		<u>12,58,70,294</u>	<u>11,09,42,694</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 : 09.8.2001

S.V. SUBRAMANIAM
S.RADHAKRISHNA
D.SEETHARAMA RAO
S.MURALIDHARAN
DIRECTORS

S.GOPALAN
GENERAL MANAGER

Place :Chennai
Date : 09.8.2001

S.V. SUBRAMANIAM
S.RADHAKRISHNA
D.SEETHARAMA RAO
S.MURALIDHARAN
DIRECTORS

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SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE 'A'	31st March 2001	31st March 2000	SCHEDULE 'C'	
SHARE CAPITAL	Rs.	Rs.	SECURED LOAN - Note 3	
Authorised			From Banks :	
50,00,000 Equity shares			Cash Credit Loan	1,69,32,914
of Rs.10/- each	5,00,00,000	5,00,00,000	Non Convertible Debentures	1,00,00,000
Issued, Subscribed and Paid up			Hire Purchase Refinance	18,69,260
34,52,798 Equity Shares			From Others	-
of Rs.10 each	3,45,27,980	3,45,27,980		20,32,205
(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)				2,88,02,174
				2,05,17,771
SCHEDULE 'B'			SCHEDULE 'D'	
RESERVES AND SURPLUS			UNSECURED LOANS	
Special Reserve Fund			Fixed Deposits	4,45,40,642
As per last Balance Sheet	6,83,500	6,83,500	Short Term Loans	
Share Premium Account	30,65,998	30,65,998	- From Bank	1,42,50,000
	37,49,498	37,49,498	- From Others	-
				15,00,000
				5,87,90,642
				5,21,47,445

SCHEDULE 'E' FIXED ASSETS

ASSET DESCRIPTION	COST			DEPRECIATION			NET BLOCK	
	AS ON 1.4.2000	ADDITIONS (DELETIONS)	AS ON 31.3.2001	AS ON 1.4.2000	ADDITIONS (DELETIONS)	AS ON 31.3.2001	AS ON 31.3.2001	AS ON 31.3.2000
Land	4,70,000	25,36,446	30,06,446	-	-	-	30,06,446	4,70,000
Buildings	84,500	-	84,500	19,388	3,256	22,644	61,856	65,112
Plant and Machinery	1,42,62,736	-	51,44,310*	66,32,184	49,82,152	24,95,910	26,48,400	76,30,552
Automobiles	1,11,60,915	(91,18,426)	70,13,669	48,62,582	(91,18,426)	39,54,101	30,59,568	62,98,333
Computers	53,51,690	10,66,284	26,07,015	32,27,778	(52,13,530)	21,51,619	4,55,396	21,23,912
Office Equipments	18,37,588	28,550	16,76,298	7,39,836	(38,20,932)	8,92,600	7,83,698	10,97,752
Furniture & Fixtures	28,39,615	1,59,500	29,94,707	19,32,951	(2,97,553)	14,39,491	15,55,216	9,06,664
		(27,73,225)			(19,73,948)			
		(3,20,790)			(2,97,553)			
		(9,13,485)			(7,61,951)			
	3,60,07,044	48,59,357	2,25,26,945	1,74,14,719	95,14,456	1,09,56,365	1,15,70,580	1,85,92,325
		(1,83,39,456)			(1,59,72,810)			
As per last Balance Sheet	6,23,28,960	64,69,994	3,60,07,044	2,73,28,766	1,26,25,727	1,74,14,719	1,85,92,325	3,50,00,194

* All assets except assets costing Rs.94,27,842/- (Rs.54,71,752/-) with a book value of Rs.61,04,933/- (Rs.23,58,186/-) 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

Quoted - Non Trade

1. IN EQUITY SHARES

	FACE VALUE	As at 31.3.2001		As at 31.3.2000	
		Nos	Cost Rs.	Nos	Cost Rs.
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
South India Corporation (Agencies) Ltd	10	100	58,300	100	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		12,07,175
LESS : Provision for diminution in value			10,59,568		10,59,568
	A		1,47,607		1,47,607

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SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE 'F' (Contd.)

	FACE VALUE	As at 31.3.2001		As at 31.3.2000	
		Nos	Cost Rs.	Nos	Cost Rs.
2 IN GOVERNMENT SECURITIES					
13.25% Government of India Loan 2000 @	-	-	-	-	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
Indira Vikas Patras	26,00,000	-	26,00,000	-	26,00,000
			<u>34,55,145</u>		<u>90,76,345</u>
3. OTHER INVESTMENTS					
Orissa Power Generation Corporation Ltd, Bonds	-	-	2,48,000	-	4,00,000
PSEB Bonds *	-	-	25,75,000	-	-
			<u>28,23,000</u>		<u>4,00,000</u>
TOTAL	Total (A + B + C)		<u>64,25,752</u>		<u>96,23,952</u>
Market value of quoted investment			Rs. 10,57,085		

Notes :

- * represents purchases during the year
- @ represents matured and realised during the year
- Sold/ redeemed during the year
Orissa Power Generation Corporation Ltd Bonds Rs 1,52,000

	31st March 2001 Rs.	31st March 2000 Rs.			
SCHEDULE 'G'			SCHEDULE 'J'		
SUNDRY DEBTORS			CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES			CURRENT LIABILITIES		
Unsecured - Considered Good			Advances recoverable in cash or kind or for value to be received	74,82,034	67,27,505
Debts outstanding for a period exceeding six months	92,65,850	77,35,710	Advance tax / tax deducted at source	46,72,482	45,97,930
Other debts	10,69,758	26,88,167	Deposits	1,57,900	1,54,900
	<u>1,03,35,608</u>	<u>1,04,23,877</u>		<u>2,40,23,626</u>	<u>2,69,15,594</u>
SCHEDULE 'H'			PROVISION		
CASH AND BANK BALANCES			Provision for Taxation	32,29,300	32,29,300
Cash/Cheques on hand	1,750	1,750	Provision for Non Performing assets	1,72,85,873	1,70,53,616
Balance with Scheduled Banks:				<u>4,35,12,307</u>	<u>3,69,55,486</u>
In Current accounts	18,22,481	17,07,110			
In Deposit accounts	94,91,473	46,114			
In Unpaid Dividend Accounts	42,287	1,08,905			
	<u>1,13,57,991</u>	<u>18,63,879</u>			
SCHEDULE 'I'					
LOANS AND ADVANCES					
Secured loans Considered Good	76,05,900	76,99,523			
Unsecured and Considered Good					
Loans	40,30,208	71,26,072			
Bills purchased and discounted	75,102	6,09,664			

Amrutanjan Finance Limited

SCHEDULE 'K' OTHER INCOME	31st March 2001 Rs.	31 March 2000 Rs.
Dividend received	6,908	8,231
Profit on sale of investments	8,800	40,572
Profit on sale of Assets	1,69,828	13,82,893
Interest received on :		
Loans & Deposits	14,75,675	25,79,874
(Tax deducted at source Rs. 70,552/-) (1999/2000 - Rs.33,793/-)		
Investments	13,19,297	19,06,270
Miscellaneous Income	3,33,484	3,48,261
	33,13,992	62,66,101

SCHEDULE 'L'

ADMINISTRATIVE EXPENSES

Salaries and Wages	23,41,838	17,80,094
Contribution to Provident Fund	1,27,777	1,14,731
Contribution to Gratuity Fund	35,902	1,67,453
Rent	1,45,875	78,000
Rates and Taxes	21,694	76,258
Electricity	1,27,300	47,388
Printing & Stationery	1,23,957	1,28,266
Postage, Telephone & Telegrams	3,17,507	2,96,897
Travelling and Conveyance	2,05,144	1,89,858
Brokerage & Commission	5,16,781	7,52,250
Advertisement	40,317	97,723
Audit Fee		
For Audit 45,000		
For Taxation 10,000		
For Other Services 23,250		
	78,250	77,500
Directors' Sitting fees	7,500	7,500
Miscellaneous expenses	12,30,427	10,21,565
	53,20,269	48,35,483

SCHEDULE 'M'

FINANCING CHARGES

Interest on: Fixed Loans	85,08,667	1,11,22,815
Others	27,97,122	37,81,244
Bank Charges	2,80,444	5,47,900
	1,15,86,233	1,54,51,959

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 31.3.2001 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, 2001

vi) Contributions towards Provident Fund are made to the appropriate authorities and is charged to Profit and Loss Account as they become due. The company contributes to a Gratuity Scheme with the Life Insurance Corporation of India. The Premiums paid to LIC in this regard is charged to Profit and Loss Account.

2. Contingent liability not provided for :

Disputed Income Tax liability -Rs.58,11,905/- (1999/2000 - Rs.29,27,460/-)

Disputed Sales Tax liability - Rs. 60,369/- (1999/2000 - Rs. 60,369/-)

Letter of Credit outstanding - Rs.75,05,117/- (1999/2000 - Rs.Nil)

Export Obligation - in the event of the Company unable to fulfill the specified export obligation, the company would be required to pay to the Government the amount of customs duty amounting to Rs.61,19,449/- which was saved on the import of Capital goods relating to Call Center project together with liquidated damages.

3. SECURED LOANS

i) Cash Credit Loans 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

ii) Non-Convertible Debentures represents one privately placed Non-Convertible Debenture of the face value of Rs.1,00,00,000/- issued to Bank of Madura Ltd on 7th June 2000 carrying interest of 15%. The Debenture is secured by an exclusive charge on Current Assets created out of the Debenture Subscription amount and guaranteed by the Holding Company.

iii) Hire Purchase refinance from Bank is secured by hypothecation of specified stock on hire items and related book debts.

iv) Secured loans from others represents Hire Purchase Finance availed by the Company and are secured by hypothecation of specified assets.

4. UNSECURED LOANS

From Bank - Represents credit facilities from a Bank against third party term deposit of Rs.150 lakhs.

5. FIXED DEPOSITS

i) Include deposits from Directors Rs.2,20,000/- (1999/2000-Rs.60,000/-)

ii) Consequent to the Company's net worth becoming negative, the fixed deposits accepted by the Company and outstanding as at 31/3/2001 are in excess of the limits specified by the Directives issued by the Reserve Bank of India for Non-Banking Finance Companies.

6. CAPITAL WORK IN PROGRESS represents expenditure on assets acquired relating to Call Center Project amounting to Rs.1,74,37,281/- and other incidental expenditure directly related to the project amounting to Rs. 6,79,741/- pending capitalisation.

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7. **LOANS AND ADVANCES** includes amount due from a company under the same management : Egattur Printing and Packaging Ltd - Rs.6,93,422/- (Maximum amount due at time during the year - Rs.16,07,802/-)
8. In the opinion of the Board of Directors, all Current Assets, Loans and Advances will have value on realisation in the ordinary course of business atleast equal to the amounts at which they are stated in the accounts.
9. Balances shown under Sundry Debtors & Loans and advances are subject to confirmation by the respective parties.
10. Bank Account relating to Interest Warrant account is under reconciliation.
11. Fixed Deposits with bank amounting to Rs.68,13,495/- are pledged with the Bank as security for the Letter of Credit facility obtained from the Bank.
12. The company has not provided for depreciation on non performing leased assets to the extent of Rs.2,42,806/- (1999/2000 - Rs.3,22,107/-) during the year and aggregating Rs.26,88,18b/- (1999 - 2000 - Rs.44,59,853/-) upto 31/3/2001 on the basis that there has been no capital recovery on such assets where income has not been recognised by the Company.
13. Value of imports by the Company during the year calculated on CiF basis.
Capital Goods. - Rs.1,49,43,325/-
14. Administration expenses are shown at net of recoveries if any.
15. Bad debts & Non Performing Assets write off is net of adjustment of Rs.56,28,004/- from out of Provision for Non Performing Assets.
16. Previous year's figures have been re-classified 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
S.MURALIDHARAN
DIRECTORS

Place :Chennai
Date : 09.8.2001

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 2001
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 125870 Total Assets 125870

Sources Of Funds:

Paid-up Capital 34528 Reserves & Surplus 3749
Secured Loans 28802 Unsecured Loans 58791

Application of Funds:

Net Fixed Assets 29688 Investments 6426
Net Current Assets 49849 Misc-Expenditure NIL
Accumulated Losses 99907

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

Turnover	Total Expenditure
17860	32465
Loss Before Tax	Loss After Tax
-14604	-14604
Earning per share	Dividend rate %
0.00	NIL

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

Item Code No. N/A

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 : 09.8.2001

Egattur Printing and Packaging Limited

DIRECTORS' REPORT

To the Members:

Your Directors have pleasure in presenting their Fifth Annual Report and audited accounts for the year ended 31st March, 2001

OPERATIONS

During the year under review, the turnover of the Company amounted to Rs.247.97 lakhs as against Rs.198.50 lakhs during the previous year registering the increase of 25%.

PROSPECTS

Egattur Printing and Packaging Limited has improved its performance in the last financial year even though it has incurred losses. The Company has received substantial orders from various FMCG Companies during the current year and has also taken steps to bring down cost. This would help the Company to show good performance in the current financial year.

Your Directors are glad to inform you that the turnover for the first fourth months ended 31.7.2001 amounted to Rs.88.72 lakhs as compared to Rs. 65.14 lakhs during the corresponding period of last year.

DEPOSITS

The Company has not accepted any Fixed Deposits.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your directors confirms as under.

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- ii that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv that the directors had prepared the annual accounts on a going concern basis.

DIRECTORS

Sri P. Easwaradas and Sri J.V. Seshiah 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 read with Companies (Particulars of Employees) Rules, 1975 as amended **INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956**

Your Company is not covered in relation to Conservation of Energy or Technology Absorption.

During 2000-2001, expenditure in foreign currency amounted to Rs.56,580/- on account of foreign travel

AUDITORS:

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

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.

ACKNOWLEDGEMENTS

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

J.V.SESHAIAH
S. MURALIDHARAN
P. EASWARADAS
Directors

Egattur
9.8.2001

AUDITORS' REPORT

To the Members of Egattur Printing and Packaging Limited,

We have examined the accounts for the year ended 31.3.2001, Balance Sheet as at that date and Profit and Loss Account for the year 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) On the basis of the written representations received from the Directors as on 31st March, 2001, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2001 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read together with notes thereon, 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 2001 and
 - (ii) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.

'Ram Nivas',
New No.18 (Old No.47), Mandavel Lane,
Mylapore, Chennai - 4.
9.8.2001

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.

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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 under Section 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 than 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 commensurate with its size and nature of its business.
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. According to the information and explanations available to us, the Company has been regular in depositing Provident Fund dues with the appropriate authority. We were further informed that the provisions of 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, 2001 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. As explained to us, the Company has been granted provisional registration as a Small Scale Industrial Undertaking and hence our comments under this clause was not considered necessary.
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',
New No.18 (Old No.47), Marudavel Lane,
Mylapore, Chennai - 4.
9.8.2001

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

Egattur Printing and Packaging Limited

BALANCE SHEET AS AT 31ST MARCH, 2001

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

	Schedule No.	As at 31.3.2001 Rs.	As at 31.3.2000 Rs.		31.3.2001 Rs.	31.3.2000 Rs.
SOURCES OF FUNDS				INCOME		
Shareholders' Funds				Sales (less Returns)	2,47,97,151	1,98,50,291
Capital	I	79,88,330	79,88,330	Miscellaneous Receipts	56,242	22,541
Loan Funds				Increase/(Decrease) in Closing Stock	(3,323)	3,11,223
Secured	II	2,61,09,541	1,36,23,874	Total	2,48,50,070	2,01,84,055
Unsecured	III	5,00,000	50,00,000	EXPENDITURE		
Total		3,45,97,871	2,66,12,204	Raw Materials Consumed	1,20,15,703	1,08,44,540
APPLICATION OF FUNDS				Consumables	27,29,306	18,72,167
Fixed Assets :				Freight Inwards	5,46,598	3,31,065
Gross Block	IV	3,02,06,000	2,00,16,412	Packing Materials Consumed	4,48,150	4,51,534
Less : Depreciation		36,92,954	23,64,991	Salaries and Wages	38,77,277	36,42,361
Net Block		2,65,13,046	1,76,51,421	Staff Welfare	6,45,732	8,36,337
Current Assets, Loans and Advances				Labour Charges	5,35,055	7,99,738
Inventories	V	35,99,635	10,26,277	Power and Fuel	6,22,164	2,86,465
Sundry Debtors	VI	21,82,515	6,60,982	Communication Expenses	1,22,358	1,20,086
Cash and Bank Balances	VII	17,855	26,644	Conveyance and Travel	5,77,869	4,44,560
Loans and Advances	VIII	4,82,773	23,70,761	Rent, Rates and Taxes	4,07,950	3,67,680
		62,82,778	40,84,664	Interest and Bank Charges	36,28,247	27,06,757
Less: Current Liabilities and Provisions				Advertisement and Business Promotion	6,345	18,624
Current Liabilities	IX	1,35,22,405	63,19,134	Freight Outwards	4,31,124	4,74,524
Provisions		-	-	Printing and Stationery	40,683	38,255
Net Current Assets		(72,39,627)	(22,34,470)	Machinery Maintenance	5,39,012	4,19,773
Miscellaneous Expenditure	X	44,590	44,590	Repairs and Maintenance	1,54,753	1,77,816
Profit and Loss Account	XI	1,52,79,862	1,11,50,663	Office Maintenance	1,22,406	91,182
Total		3,45,97,871	2,66,12,204	Audit Fees	24,950	21,000
Notes on Accounts	XII			Bad debts written off	-	4,024
				Discount on Sales	32,114	3,86,224
				Legal and Professional Charges	1,12,450	1,18,332
				Miscellaneous Expenses	31,060	1,35,278
				Depreciation	13,27,963	13,27,141
				Total	2,89,79,269	2,59,15,463
				Net Loss carried over to Balance Sheet	(41,29,199)	(57,31,408)

Vide our Report of even date

For **C.R. SWAMINATHAN ASSOCIATES**

Egattur
9.8.2001
Chartered Accountants
(C.R.SWAMINATHAN)
Proprietor

**J.V. SESHIAIAH
S.MURALIDHARAN
P. EASWARADAS**
Directors

Vide our Report of even date

For **C.R. SWAMINATHAN ASSOCIATES**

Egattur
9.8.2001
Chartered Accountants
(C.R.SWAMINATHAN)
Proprietor

**J.V. SESHIAIAH
S.MURALIDHARAN
P. EASWARADAS**
Directors

5th Annual Report

SCHEDULES TO BALANCE SHEET

	31.3.2001 Rs.	31.3.2000 Rs.		31.3.2001 Rs.	31.3.2000 Rs.
SCHEDULE - I			SCHEDULE - II		
Share Capital			Secured Loans		
Authorised			Term Loan from Scheduled Bank, secured by a first charge on the Plant and Machinery of the Company and guaranteed by Holding Company and a Director of the Company		
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000		1,21,50,000	1,04,92,000
Subscribed			Term Loan from Scheduled Bank, secured by a first charge on the Plant and Machinery of the Company and guaranteed by Holding Company and a Director of the Company		
8,03,533 Equity Shares of Rs.10/- each fully paid-up	80,35,330	80,35,330		69,00,000	-
Issued and Paid up			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		
8,03,533 Equity Shares of Rs.10/- each fully paid-up (Out of the above 7,98,800 Equity Shares are held by Amrutnjan Limited, Holding Company)	80,35,330	80,35,330		70,59,541	31,31,874
Less: Forfeited Shares Account 4,700 Equity Shares of Rs.10/- each	47,000	47,000		2,61,09,541	1,36,23,874
	79,88,330	79,88,330		5,00,000	50,00,000
	79,88,330	79,88,330		5,00,000	50,00,000
			SCHEDULE - III		
			Unsecured Loans		
			From Banks		
				5,00,000	50,00,000
			From Others		
				5,00,000	50,00,000

SCHEDULE - IV Fixed Assets

ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	COST Rs.	ADDITIONS Rs.	TOTAL Rs.	1.4.2000 Rs.	FOR THE YEAR Rs.	31.3.2001 Rs.	31.3.2001 Rs.	31.3.2000 Rs.
PLANT & MACHINERY								
A) PRINTING/PACKAGING MACHINERY								
PRINTING OFFSET MACHINE	97,76,357	92,62,071	1,90,38,428	8,11,571	6,38,249	14,49,820	1,75,86,608	89,54,786
CUTTING MACHINE	4,73,866	-	4,73,866	31,778	22,509	54,287	4,19,579	4,42,088
CARTON FOLDING MACHINE	16,19,289	-	16,19,289	1,34,603	76,916	2,11,519	14,07,770	14,84,686
EXPOSING SYSTEM	89,975	-	89,975	7,123	4,274	11,397	78,578	82,852
FILM PROCESSOR	3,65,507	-	3,65,507	28,936	17,362	46,298	3,19,209	3,36,571
IMAGE SETTER/SCANNER	16,88,867	-	16,88,867	1,40,387	80,221	2,20,608	14,68,259	15,48,480
LAMINATION MACHINE	1,12,421	-	1,12,421	9,790	5,340	15,130	97,291	1,02,631
NOVAJET PRO 50	8,55,289	-	8,55,289	71,096	40,626	1,11,722	7,43,567	7,84,193
PLATEMAKER	1,68,695	-	1,68,695	14,023	8,013	22,036	1,46,659	1,54,672
PUNCHING MACHINE	9,47,573	7,06,478	16,54,051	39,562	60,150	99,712	15,54,339	9,08,011
VARNISHING MACHINE	2,77,837	-	2,77,837	21,995	13,197	35,192	2,42,645	2,55,842
SPARES/TOOLS	71,500	-	71,500	1,453	3,396	4,849	66,651	70,047
STITCHING MACHINE	9,270	-	9,270	257	440	697	8,573	9,019
B) COMPUTERS & ACCESSORIES								
ACQUPRINT SERVER	2,52,500	-	2,52,500	51,163	40,930	92,093	1,60,407	2,01,337
COMPUTER SYSTEM	11,04,806	42,536	11,47,342	2,86,114	1,80,780	4,66,894	6,80,248	8,18,432
LASER PRINTER	1,48,250	-	1,48,250	38,049	24,031	62,080	86,170	1,10,201
COMPUTER PRINTER	13,800	-	13,800	1,459	1,751	3,210	7,590	9,341
UPS	1,63,710	-	1,63,710	44,229	28,537	72,766	92,944	1,19,481
STABILIZER	75,318	-	75,318	22,383	12,209	34,592	40,726	52,935
C) FACTORY EQUIPMENTS								
FAN	85,633	24,585	1,10,218	6,780	5,138	11,918	98,300	78,853
GENERATOR	3,26,764	25,214	3,51,978	24,575	15,821	40,396	3,11,582	3,02,189
WEIGHING MACHINE	61,377	-	61,377	4,616	2,915	7,531	53,846	56,761
AIR CONDITIONER	3,56,289	-	3,56,289	27,803	16,924	44,727	3,11,562	3,28,486
BOREWELL	32,815	-	32,815	2,598	1,559	4,157	28,658	30,217
EPABX SYSTEM	44,409	6,720	51,129	3,258	2,269	5,527	45,602	41,151
MANUAL PALLET TRUCK	19,680	-	19,680	1,714	935	2,649	17,031	17,966
TIME PUNCHING MACHINE	-	26,650	26,650	-	422	422	26,228	-
D) ELECTRICAL INSTALLATION								
FURNITURE & FIXTURES	2,73,470	63,700	3,37,170	26,569	19,221	45,790	2,91,380	2,46,901
TEMPORARY PARTITIONS	5,04,017	-	5,04,017	5,04,017	-	5,04,017	-	-
TOTAL	2,00,16,412	1,01,89,588	3,02,06,000	23,64,991	13,27,963	36,92,954	2,65,13,046	1,76,51,421
As per last Balance Sheet	1,82,67,739	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

	31.3.2001 Rs.	31.3.2000 Rs.
SCHEDULE - V		
Inventories		
Closing Stock of inventory as certified by the Management :		
-Work-in-Progress	1,39,375	45,565
-Raw Materials	28,17,074	4,14,861
-Consumables	4,74,661	3,00,193
-Finished goods	1,68,525	2,65,658
	35,99,635	10,26,277
SCHEDULE - VI		
Sundry Debtors (unsecured, good)		
- for a period exceeding six months	2,08,292	4,37,542
- other debts	19,74,223	2,23,440
	21,82,515	6,60,982
SCHEDULE - VII		
Cash and Bank Balances		
Cash on Hand	6,501	15,290
Balance with Scheduled Bank in Current Account	11,354	11,354
	17,855	26,644
SCHEDULE - VIII		
Loans and Advances		
Advances recoverable in cash or in kind or for value to be received		
Deposits/ Advances with Govt. Bodies	2,37,863	43,039
Others	2,44,910	23,27,722
	4,82,773	23,70,761
SCHEDULE - IX		
Current Liabilities		
Sundry Creditors - Supplies/Services		
-SSI Undertakings	-	-
-Others	1,26,49,127	58,92,712
Outstanding Liabilities	6,71,856	4,22,520
Advance from Debtors	2,01,422	-
Interest accrued - not due	-	3,904
	1,35,22,405	63,19,136
SCHEDULE - X		
Miscellaneous Expenditure (to the extent not written off or adjusted)		
Preliminary Expenditure	44,590	44,590
	44,590	44,590
SCHEDULE - XI		
Profit and Loss Account		
Balance brought forward	1,11,50,663	54,19,255
Add: Loss for the year	41,29,199	57,31,408
	1,52,79,862	1,11,50,663
SCHEDULE - XII		
Notes annexed to and forming part of Balance Sheet as at 31st March, 2001 and Profit and Loss Account for the year ended on that date.		
The Profit and Loss Account and Balance Sheet have been prepared in accordance with the Accounting Standards referred in sub-section (3C) of Section 211 of Companies Act, 1956, to the extent the same are applicable to the Company.		
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 finished goods is valued at selling price less estimated margin of profit.		

d. Balance Sheet

- i. The Company has filed Return of Income upto the Assessment Year 2000-2001 and assessments are 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 Central Excise Act and in payment of duty thereunder.
- iv. 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
Tax Audit Fees	Rs.	5,250
For Income tax/Others	Rs.	3,950
Total	Rs.	24,950

- ii. Interest includes the following:

a) Interest on Cash Credit	Rs.	6,94,806
b) Interest on Term Loans	Rs.	26,10,557
c) Others (including Finance & Bank charges)	Rs.	3,22,884
Total	Rs.	36,28,247

- iii. Expenditure in Foreign Currency on account of Foreign Travel
 Rs. | 56,580 |

- 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	-	44,597	-	1,39,375
Printing Job	-	968	-	-

ii. Stock of Finished Goods:

Particulars	Opening Stock		Closing Stock	
	Units	Value (Rs)	Units	Value (Rs)
Cartons	7,67,300	2,47,352	15,500	12,510
Printing Job	-	18,306	72,000	1,56,015

iii. Raw Materials Consumed (Indigenous)

Particulars	Units	Consumption	
		Quantity	Value (Rs.)
Boards	Sheets	34,81,415	93,52,315
Papers	Ream	1,540	9,63,140
News Print Paper	Kgs	38,163	17,00,248

(Note : No Consumption of Imported Raw Materials)

iv. Turn Over

Particulars	Units	Quantity	Value (Rs.)
Cartons	nos	5,95,89,080	1,72,43,520
Labels & Others	-	-	13,20,493
Job Work	-	-	62,33,138

(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 / rational basis and accordingly could not be provided.
- (ii) Printing : (a) 34,000-40,000 Boards / Sheets of Optimal size per shift of 8 hours per day for 300 days a year. (b) 1,00,000 forms of 16 pages each (back to back) for Black and White magazine printing, per shift of 8 hours per day for 300 days a year.

(c) Actual Production :

- (i) Packaging : 6,42,52,180 Cartons
- (ii) Printing : 79,02,496 Sheets and 29,81,080 Forms

g. MISCELLANEOUS:

1. 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**)
Egattur
9.8.2001
Proprietor

J.V. SESHIAH
S.MURALIDHARAN
P. EASWARADAS
Directors

5th 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 2001
 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	Total Assets
34597	34597
Sources Of Funds:	
Paid-up Capital	Reserves & Surplus
7988	NIL
Secured Loans	Unsecured Loans
26109	500
Application of Funds:	
Net Fixed Asset	Investments
26513	NIL
Net Current Assets	Misc. Expenditure
(7239)	44
Accumulated Losses	
(15279)	

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

Turnover	Total Expenditure
24850	28979
Profit Before Tax	Profit After Tax
(4129)	(4129)
Earnings per share	Dividend Rate %
N/A	NIL

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

(as per monetary terms)
 Item Code No.
 (ITC Code) 49111002
 Product Description
 PRINTING &
 PACKAGING

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

J.V. SESHIAH
S.MURALIDHARAN
P.EASWARADAS
 Directors

Egattur
 9.8.2001

PROXY FORM

AMRUTANJAN LIMITED

Registered Office: New No. 103 (Old No.42-45), Luz Church Road, Mylapore, Chennai 600 004.

Folio No.	No. of Shares

I/Weofin
the district ofbeing a member / members of
Amrutanjan Limited, hereby appoint.....
of.....in the district of..... or
failing himof
in the district of as my/our proxy to
attend and vote for me/us on my/our behalf at Sixty Fourth Annual General Meeting of the Company to be
held on Thursday, the 20th September, 2001 at Sathguru Gnanananda Hall (Narada Gana Sabha),
New No. 314 (Old No.254), T T K Road, Chennai 600 018. at 11.00 a.m. and at any adjournment
thereof.

Signed this..... day of.....2001. Signature.....

Affix
30 Paise
Revenue
Stamp

Note: The form duly completed and signed should be deposited at the registered office of the
company not later than 48 hours before the time of the meeting.

ATTENDANCE SLIP

AMRUTANJAN LIMITED

Registered Office: New No. 103 (Old No.42-45), Luz Church Road, Mylapore, Chennai 600 004

(To be filled in and handed over at the entrance of the Meeting Hall)

Full name of the attending member :.....

Folio No. :.....

No. of shares held :.....

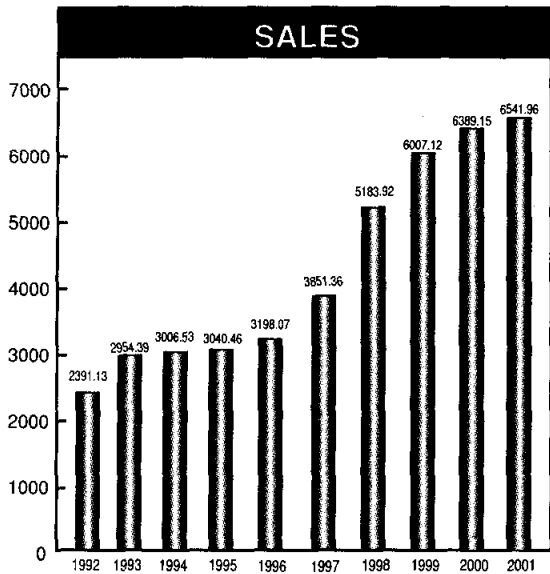
Full name of the Proxy/s :.....

I hereby record my presence at the Sixty Fourth Annual General Meeting at Sathguru Gnanananda Hall
(Narada Gana Sabha), New No. 314 (Old No.254), T T K Road, Chennai - 18, on Thursday, the 20th
September, 2001 at 11.00 a.m.

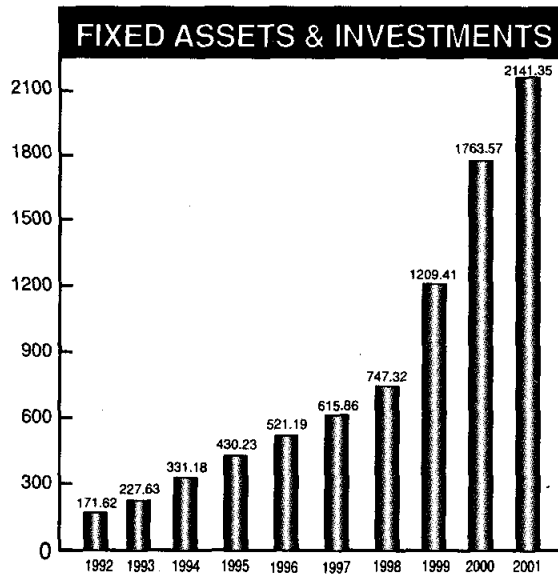
.....
(Member (s) / Proxy(s) Signature)

AMRUTANJAN

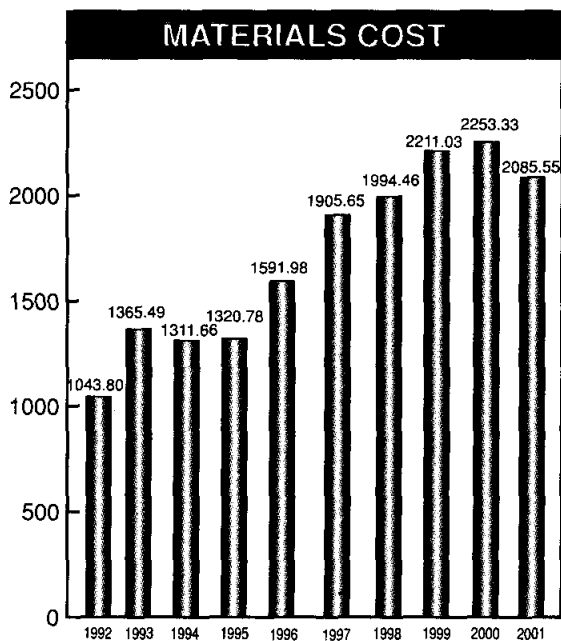
Rs. in lakhs



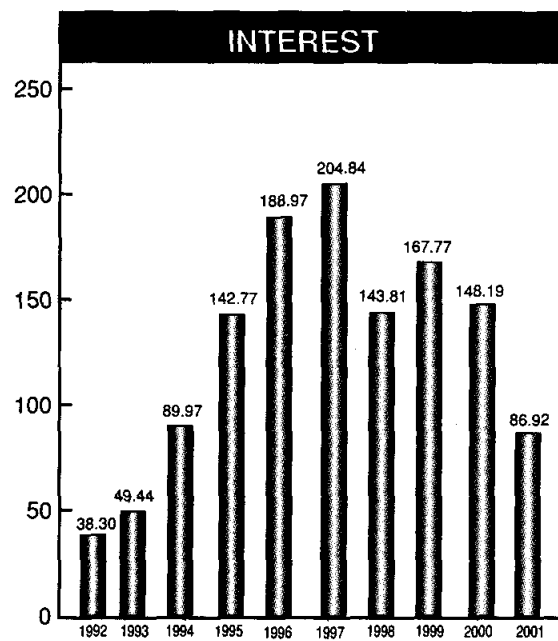
Rs. in lakhs



Rs. in lakhs



Rs. in lakhs



If undelivered, please return to:

Amrutanjan Limited

New No. 103 (Old No.42-45), Luz Church Road,
Mylapore,
Chennai - 600 004.