

BHARTI COMTEL LIMITED

DIRECTORS' REPORT

The Directors have pleasure in presenting the Fifth Annual Report and the Audited Accounts for the financial year ended March 31, 2003.

OPERATIONS REVIEW

Previous year, the Company had commenced trading business and continues to be engaged in selling hardware for Internet and Satellite business. The Company's turnover has shown a growth of 117% from the previous year. The Company has also strengthened its market position in the field of value added services viz. Annual Maintenance Contracts (AMC), Programme Management and Installations. As a result service revenue increased from Rs. 19.9 Mn to Rs. 37.18 Mn. However due to shrinking margins and considerable increase in overheads the Company has incurred net loss of Rs. 11 Mn. (previous year net profit Rs. 4 Mn.).

BUSINESS REVIEW

The summarized financial result for the year ended March 31, 2003 as compared with the earlier year as under:

Particulars	As on March 31, 2003 (Rs. in Thousand)	As on March 31, 2002 (Rs. in Thousand)
Sales and Other Income	516,200	237,756
Profit before Finance Expenses, Depreciation and Amortisation	19,057	30,293
Finance Expenses	14,622	13,284
Profit before Depreciation and Amortisation	4,435	17,009
Depreciation and Amortisation	14,211	11,665
Profit Before Tax	(9,776)	5,344
Income Tax	1,261	1,500
Profit After Tax	(11,037)	4,243

DIVIDEND

The Directors' of the Company are unable to recommend any dividend for the financial year under review.

DIRECTORS

During the period under review, Mr. Rajinder Sharma resigned from the Board of Directors. The Board places on record their sincere appreciation for the services rendered by him during his tenure as Director of the Company.

Mr. Narender Gupta was co-opted as Additional Director on the Board of the Company to hold office up to the date of next Annual General Meeting. In view of his rich and vast experience, it is felt that his presence on the Board would be an asset for the Company's future Growth, hence it is recommended that he may be appointed as Director of the Company.

Mr. K.L. Jain is due to retire by rotation and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment as Director of the Company.

AUDITORS' REPORT

The Auditors' Report on Accounts has been duly considered by the Board and clarification(s), wherever necessary is contained in the Notes to Accounts.

AUDITORS

The Statutory Auditors of the Company M/s. J.C. Bhalla & Co., Chartered Accountants, shall retire at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. A Certificate has been received from M/s. J.C. Bhalla & Co., confirming therein that their appointment, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

FIXED DEPOSITS

The Company has not accepted any deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under the Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1956 and Companies (Acceptance of Deposits) Rules, 1975.

STATUTORY STATEMENTS

The Company does not carry on any manufacturing activity and accordingly the provision to furnish information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to Conservation of Energy, Research and Development and Technology Absorption are not applicable.

There has been no foreign exchange earnings and outgo during the year. There are no employees during the year under review whose particulars are to be provided in terms of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

The secretarial compliance report in terms of Section 383A(1) is annexed.

DIRECTORS' RESPONSIBILITY STATEMENT - SECTION 217(2AA)

The Directors' Confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- that the Directors have 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 ended March 31, 2003 and of the profit and loss account of the Company for the 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, 1956, 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.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere appreciation for the valuable contribution and dedicated efforts put in by the employees and for the assistance provided by the Bankers and other associates during the year.

On behalf of the Board

Place : New Delhi **BADRI AGARWAL** **K.L. JAIN**
Date : September 15, 2003 Director Director

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members
Bharti Comtel Limited
'Qutab Ambience' 1
H-5/12, Mehrauli Road
New Delhi – 110 030

I have examined the register, records, books and papers of Bharti Comtel Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2003. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers agents and audited Balance Sheet, Profit & Loss Account and Auditors' Report, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and return as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder.
3. The Company being a public limited Company, has the minimum prescribed paid up capital. The present authorised capital of the Company is rupees One Crores divided into Ten lac shares of Rupees Ten each.
4. The Board of Directors duly met the requirement of meeting once ever three months. In the financial year 2002-03 they met 8 (Eight) times. The dates of the Board Meeting are 01-04-2002, 24-05-2002, 01-07-2002, 22-08-2002, 30-09-2002, 13-11-2002, 30-11-2002 and 13-03-2003 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions, if any, passed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its register of members during the financial year.
6. The Annual General Meeting for the financial year ended on 31-03-2002 was held on 30-08-2002 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. Four extra-ordinary meeting was held during the financial year ending 31-03-2003. The dates of the meeting are 01.04.02, 30-09-02, 29.11.02 and 30.11.02.
8. The Company has not given any advance and loan to its directors and/or persons or firms or companies referred in the Section 295 of the Companies Act. Interest free loans have been given to employees only who are repaying the principal amounts as stipulated.
9. The Company has duly complied with the provisions of Section 297 of the Act, in the respect of contracts specified in that Section.
10. The Company has made the necessary entries in the register maintained under Section 301 of the Act.
11. There are no instances falling within the purview of Section 314 of the Act. Hence the Company has not obtained any approvals from the Board of Directors, Members or the Central Government as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i) There were no allotment/transfer/transmission of securities during the financial year.
(ii) As no dividend was declared (including interim dividend) during the financial year the Company has not deposited any amount in separate bank account.
(iii) The Company has not posted warrants for dividends to any member of the Company as no dividend was declared during the financial year.
(iv) The Company has no unpaid dividend lying unclaimed/unpaid for a period of seven years.
(v) There are no employees who fall within the purview of Section 217 of the Act.
(vi) The Company has duly complied with the provision of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year.
15. Since there is no Managing Director hence the provisions of Section 269 read with Schedule XIII to the Act are not applicable to that extent.
16. No sole-selling agents have been appointed.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. There were no allotment of securities during the financial year ending 31-03-2003.
20. The Company has not bought back any share during the financial year ending 31-03-2003.
21. The Company has not redeemed any preference shares/debentures during the year.

22. The Company has not kept in abeyance rights to dividend. There are no rights shares and bonus shares pending registration of transfer.
23. The Company has not accepted any deposits including unsecured loans falling within the purview of Section 58 A during the financial year.
24. The Company has taken necessary approval in terms of Section 293(1)(d) for borrowing from group companies, bank, financial institutions and the borrowings are within the limits approved by the shareholders.
25. The Company has not made loans and investments, or given guarantees or provided securities to other body corporate except to companies within the group or under the same management.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one State to another during the year.
27. The Company has not altered the provisions of the memorandum with respect to the Objects of the Company during the year.
28. The Company has not altered the provisions of the memorandum with respect to the name of the Company during the year.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year.
30. The Company has not altered its Articles of Association.
31. No prosecution is initiated or pending against the Company.
32. The Company has not received any security from its employees during the year.
33. According to the records of the Company, the Company has not deducted any contribution towards Provident Fund and Employees' State Insurance during the year.

For **KIRAN SHARMA & CO.**
Company Secretaries

(KIRAN SHARMA)
A.C.S.
Proprietor
C.P. No. 3116

Place: New Delhi
Date: September 15, 2003

ANNEXURE – A

The Company maintains following registers :

1. Register of Members u/s 150.
2. Register of Share Transfer and Transmission u/s 108.
3. Minutes Book of Board Meetings u/s 193.
4. Minutes of General Meetings u/s 193.
5. Proper Books of Accounts u/s 209
6. Register u/s 301 for contracts and arrangements in which Directors are interested or concerned.
7. Register of Directors u/s 303.
8. Register of Directors' Shareholdings u/s 307.
9. Register of Charges u/s 143.
10. Register of Fixed Assets.
11. Register of Share Application and Allotment Book.
12. Register of Common Seal.
13. Register of renewed and duplicate certificates u/s 7 of the Companies Act (Issue of share Certificates) rules, 1960.

ANNEXURE – B

Returns and Forms as filed by the Company with the Registrar of Companies during the financial year ending 31st March, 2003:

- Annual Return u/s 160 for the year ending on 31.03.2002 filed on 08-10-2002.
- Annual Report u/s 220 for the year ending on 31-03-2002 filed on 27-09-2002.
- Form 23 for Section 293 (1)(e) & 372A approval (E.G.M. held 1-4-2002) filed on 16-7-2003.
- Form 23 for Section 293 (1)(a) approval (E.G.M. held 30-09-2002) filed on 02-1-2003.
- Form 23 for Section 293 (1)(a) approval (E.G.M. held 29-11-2002) filed on 17-1-2003.
- Form 23 for Section 293 (1)(a) approval (E.G.M. held 30-11-2002) filed on 16-7-2003.
- Form 8 & 13 for Section 125/127/135 filed on 20-5-2003.
- Form 8 & 13 for Section 125/127/135 filed on 03-2-2003.

AUDITORS' REPORT

TO THE MEMBERS OF BHARTI COMTEL LIMITED

We have audited the attached Balance Sheet of Bharti Comtel Limited as at 31st March, 2003 and the Profit and Loss Account of the Company for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Central Govt. in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable.

Further to our comments in the Annexure referred to in paragraph 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 Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
- d) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement are in compliance with the mandatory Accounting Standards, referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable.
- e) On the basis of the written representations received from the company on behalf of the directors, we report that none of the directors are disqualified as on 31st March, 2003 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 accounts read together with Statement of Significant Accounting Policies and Notes to Accounts 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2003 and
 - ii) In the case of Profit and Loss Account of the loss for the year ended on that date.
 - iii) In the case of Cash Flow Statement of the Cash Flows for the year ended on that date.

For **J. C. BHALLA & CO.**
Chartered Accountants

(RAJESH SETHI)
Partner

(M. No. 85669)

Place: New Delhi
Dated: September 15, 2003

ANNEXURE TO THE AUDITORS' REPORT ON THE ACCOUNTS OF BHARTI COMTEL LIMITED FOR THE YEAR ENDED 31ST MARCH, 2003 AS REFERRED TO IN OUR REPORT OF EVEN DATE.

1. The Company is maintaining proper records showing full particulars including quantitative details and situation of all fixed assets. The fixed assets have been physically verified by the management at the year-end. We are informed that no material discrepancies have been noticed by the management, on such verification as compared with the record of fixed assets maintained by the Company.
2. None of the fixed assets of the Company have been revalued during the year.
3. The stocks of traded goods have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
4. The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on physical verification of stocks were not material as compared to book records and the same have been properly dealt with in the books of account.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of the aforesaid stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register

- maintained under Section 301 of the Companies Act, 1956, where the rate of interest and other terms and conditions are prima facie prejudicial to the interest of the company. The rate of interest and other terms and conditions of unsecured loan taken from a Company under the same management as defined under Section 370(1B) of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
8. The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and/or to the companies under the same management as defined under Section 370(1B) of the Companies Act, 1956 where the rate of interest and other terms and conditions are prejudicial to the interest of the Company.
 9. The Company has not given loans or advances in the nature of loans.
 10. In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets, and for the sale of goods.
 11. There were 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 Act and aggregating during the year to Rs. 50,000/- or more in respect of each party.
 12. As explained to us, the company has a procedure for determination of unserviceable or damaged stores, spare parts, raw materials and finished goods in a systematic manner and in our opinion adequate amounts have been written off on such stocks in the accounts.
 13. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.
 14. The Company has not maintained any scrap records as we have been explained that the operations of the Company do not generate any realizable scrap or by products.
 15. In our opinion, the Company's present internal audit system is commensurate with its size and nature of business.
 16. We are given to understand that the Central Govt. has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
 17. According to the records of the Company provident fund dues have been regularly deposited during the year with the appropriate authorities.
 18. According to the information and explanations given to us, there are no undisputed liabilities of Income-Tax, Wealth-Tax, Sales-Tax, Customs Duty and Excise Duty as on 31st March, 2003, outstanding for a period of more than six months from the date they became payable.
 19. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses, which have been charged to Profit & Loss Account other than those payable under contractual obligations.
 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 goods traded in, the Company has a reasonable system for the determination of damaged goods and in our opinion, adequate provisions have been made in the accounts for the loss arising on the items so determined.
 22. In case of service activities:
 - a) the Company has a reasonable system of recording receipts, issues and consumption of stores and consumed to the relative jobs, commensurate with the size and nature of its business;
 - b) the Company's service activities are such that allocation of man hours utilized to relative jobs is not required;
 - c) there is a reasonable system of authorization at proper levels, and an adequate system of internal control commensurate with the size and nature of its business on issue of stores and allocation of stores and labour to jobs.

For **J. C. BHALLA & CO.**
Chartered Accountants

(RAJESH SETHI)

Partner

(M. No. 85669)

Place: New Delhi
Dated: September 15, 2003

BALANCE SHEET AS AT MARCH 31, 2003

Particulars	Schedule No.	As at March 31, 2003 (Rs. '000)	As at March 31, 2002 (Rs. '000)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,000	1,000
Reserves and Surplus	2	–	4,243
Loan Funds			
Secured Loans	3	8,829	–
Unsecured Loans	4	4,160	172,330
Security Deposits		27	–
Total		14,016	177,573
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	87,903	261,397
Less: Depreciation		13,718	11,213
Net Block		74,185	250,184
Capital Work-in-Progress		–	3,124
Total Fixed Assets		74,185	253,308
Pre-operative Expenditure Pending Allocation	6	–	–
Current Assets , Loans and Advances			
Inventories	7	78,268	23,255
Sundry Debtors	8	90,765	48,542
Cash and Bank Balances	9	102,515	72,048
Loans and Advances	10	3,201	17,922
Total Current Assets		274,749	161,767
Less: Current Liabilities and Provisions	11	–	–
Liabilities		332,881	230,253
Provisions		9,230	7,684
Total Current Liabilities		342,111	237,937
Net Current Assets		(67,362)	(76,170)
Deferred Tax Asset		399	399
Miscellaneous Expenditure			
(to the extent not written off or adjusted)	12	–	36
Profit & Loss Account		6,794	–
Total		14,016	177,573
Significant Accounting Policies	21		
Notes to Accounts	22		

This is the Balance Sheet referred to The Schedules referred to above form an integral part of the Balance Sheet in our report of even date

On behalf of the Board

For J.C. BHALLA & CO.
Chartered Accountants

BADRI AGARWAL
Director

K.L. JAIN
Director

(RAJESH SETHI)
Partner

Place: New Delhi
Date: September 15, 2003

PROFIT & LOSS STATEMENT

FOR THE YEAR ENDED MARCH 31, 2003

Particulars	Schedule No.	For the year ended March 31, 2003 (Rs. '000)	For the year ended March 31, 2002 (Rs. '000)
INCOME			
Service Revenue		37,184	19,858
Sale of Goods		468,205	215,115
Other Income	13	10,811	2,783
		516,200	237,756
EXPENDITURE			
Operating Expenses	14	22,424	7,276
Cost of Sales of Goods	15	409,071	146,774
Personnel	16	31,688	31,034
Sales and Marketing	17	13,634	8,393
Administrative and Others	18	20,326	13,986
Total Expenditure		497,143	207,463
Operating Profit before Finance Expenses, Depreciation and Amortisation		19,057	30,293
Finance Expenses (Net)	19	14,622	13,284
Profit/(Loss) before Depreciation and Amortisation		4,435	17,009
Depreciation		14,175	8,197
Amortisation	20	36	3,468
Profit/(Loss) before Tax		(9,776)	5,344
Provision for Tax (Excess Provision for Tax for earlier years written back Rs. 249 Previous year Nil)		1,261	1,500
Deferred Tax Expense/(Income)		-	(399)
Profit/(Loss) After Tax		(11,037)	4,243
Profit/(Loss) Brought Forward		4,243	-
Profit/(Loss) carried to the Balance Sheet		(6,794)	4,243
Earnings per Share in Rs. (Basic & Diluted)	21 (11)	(110.37)	42.43
Significant Accounting Policies	21		
Notes to Accounts	22		

This is the Profit & Loss Account referred to in our report of even date

The Schedules referred to above form an integral part of the Profit & Loss Account

For **J.C. BHALLA & CO.**
Chartered Accountants
(RAJESH SETHI)
Partner

BADRI AGARWAL
Director

On behalf of the Board

K.L. JAIN
Director

Place: New Delhi
Date: September 15, 2003

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2003

(Rs. '000)

Particulars	For the year ended March 31, 2003	For the year ended March 31, 2002
A. Cash flow from operating activities:		
Net (loss)/profit before tax but after exceptional/extraordinary items	(9,776)	5,344
Adjustments for:		
Depreciation	14,175	8,197
Interest Expense	17,178	12,878
Interest Income	(2,556)	(499)
(Profit)/Loss on Fixed Assets sold (net)	8,022	-
(Profit)/Loss on sale of Investments	-	-
ESOP Expenditure written off	-	-
Deferred Revenue Expenditure written off	-	3,459
Amortisation of Goodwill	-	-
Preoperative Expenditure written off	-	-
Preliminary Expenditure written off	36	9
Licence fee written off	-	-
Debts/Advances written off	-	-
Provision for Bad & Doubtful Debts	(1,862)	10,440
Liability no longer required written back	-	(282)
Provision for Gratuity & Leave Encashment	-	-
Provision for Inventory for obsolete/damaged stock	-	-
Unrealised Foreign Exchange (Gain)/Loss	-	-
Provision for Warranty	1,566	7,106
Gain from Swap Arrangements	-	-
Other Provision	-	-
Operating profit before working capital changes	26,783	46,652
Adjustments for changes in working capital:		
- (INCREASE)/DECREASE in Sundry Debtors	(40,361)	(58,982)
- (INCREASE)/DECREASE in Other Receivables	14,714	172,465
- (INCREASE)/DECREASE in Inventories	(55,013)	(23,255)
- INCREASE/(DECREASE) in Trade and Other Payables	102,628	222,099
- INCREASE/(DECREASE) in Security Deposit from Customers	27	-
Cash generated from operations	48,778	358,979
Increase in Miscellaneous Expenditure	-	-
- Taxes (Paid)/Received	(1,280)	(822)
Net cash from operating activities	47,498	358,157
B. Cash flow from investing activities:		
Adjustments for changes in:		
Purchase of Fixed Assets - Additions during the Year	(22,713)	(173,308)
Capital Work in Progress - Additions during the Year	3,124	148,403
Proceeds from Sale of Fixed Assets	176,516	236
Proceeds from Sale of Investments	-	-
Purchase of Investments	-	-
Licence fee paid for new circles	-	-
Interest Received (Revenue)	2,561	367
Amount Paid on Acquisition/Investment in Subsidiaries	-	-
Net cash used in investing activities	159,488	(24,302)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2003

	(Rs. '000)	
Particulars	For the year ended March 31, 2003	For the year ended March 31, 2002
C. Cash flow from financing activities:		
Proceeds from fresh issue of Share Capital (including Share Premium)	-	-
Amount of share issue expenses	-	-
Amount invested by Minorities in Subsidiaries	-	-
Proceeds from long term borrowings		
RECEIPTS	(159,341)	-
PAYMENTS	-	-
Proceeds from short term borrowings		
RECEIPTS	-	-
PAYMENTS	-	(249,539)
Interest Paid	(17,178)	(12,878)
Profit on hedging transaction	-	-
Gain from swap arrangements	-	-
Net cash used in financing activities	(176,518)	(262,417)
Net Increase/(Decrease) in Cash & Cash Equivalents	30,468	71,438
Opening Cash and Cash Equivalents	72,048	610
Cash and Cash Equivalents Acquired on Acquisition	-	-
Cash and Cash Equivalents as at March 31, 2003	102,516	72,048
Cash and Cash Equivalents comprise		
Cash, Cheques & Drafts (in hand) and Remittances in Transit	95,629	748
Balance with Scheduled Banks	6,886	71,300

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.
2. Figures in brackets indicate cash outgo.
3. Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

On behalf of the Board

BADRI AGARWAL
Director

K.L. JAIN
Director

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

Particulars	As at March 31, 2003 (Rs. '000)	As at March 31, 2002 (Rs. '000)
<u>SCHEDULE : 1</u>		
<u>SHARE CAPITAL</u>		
Authorised		
1,000,000 Equity Shares of Rs. 10/- each (Previous year 1,000,000 Equity Shares of Rs. 10/- each)	10,000	10,000
Issued, Subscribed and Paid up		
100,000 Equity Shares of Rs.10 each (Previous year 100,000 Equity Shares of Rs. 10/- each)	1,000	1,000
 <u>SCHEDULE : 2</u>		
<u>RESERVES AND SURPLUS</u>		
Profit & Loss Account		
Balance Brought Forward	4,243	-
Add: Profit/(Loss) during the year	-	4,243
Less: Transferred to Profit/(Loss)	4,243	-
	-	4,243
Total Reserves & Surplus	-	4,243
 <u>SCHEDULE : 3</u>		
<u>SECURED LOANS</u>		
From Bank :		
- Cash Credit (Secured by hypothecation of stocks, all present and future book debts, outstanding moneys receivables, claim bills, contracts, engagements & guaranteed by Bharti Tele-Ventures Ltd.)	8,829	-
	8,829	-
 <u>SCHEDULE : 4</u>		
<u>UNSECURED LOANS</u>		
Bharti Infotel Limited (Holding Company)	4,160	172,330
	4,160	172,330

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

(Rs. '000)

Particulars	Gross Block Value			Depreciation			Net Block Value	
	As at April 1, 2002	Additions during the year	Sale/ Adjustment during the year	As at March 31, 2003	For the year	Sale/ Adjustment during the year	As at March 31, 2003	As at March 31, 2002
Freehold Land	65,488	-	21,988	43,500	-	-	43,500	65,488
Plant & Machinery	147,065	22,434	164,079	5,420	8,798	10,477	3,694	143,660
Air Conditioners	4,111	-	4,111	-	275	821	-	3,565
Building & Leasehold Improvements	30,896	129	5,842	25,183	1,454	264	22,457	29,360
Office Equipment	1,763	-	-	1,763	315	-	627	941
Computer	8,064	150	187	8,027	2,561	107	2,155	4,646
Vehicle	665	-	-	665	133	-	351	484
Furniture & Fixture	3,345	-	-	3,345	639	-	1,401	2,040
TOTAL	261,397	22,713	196,207	87,903	14,175	11,669	74,185	250,184
Capital Work-in-Progress								3,124
TOTAL	261,397	22,713	196,207	87,903	14,175	11,669	74,185	253,308
Previous Year	88,406	173,308	317	261,397	8,197	81	250,184	

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

Particulars	As at March 31, 2003 (Rs. '000)	As at March 31, 2002 (Rs. '000)
SCHEDULE : 6		
PRE-OPERATIVE EXPENDITURE PENDING ALLOCATION		
Opening Balance	-	35,916
Less: Allocated to Fixed Assets	-	35,916
Total Pre-operative Expenditure Pending Allocation	-	-
SCHEDULE : 7		
INVENTORY		
Traded goods		
PAMA VSATs	13,248	1,573
Broadband Interactive Terminal	48,773	13,827
Gateways	8,306	-
Others	7,941	374
	<u>78,268</u>	<u>15,774</u>
Goods in Transit	-	7,481
	<u>78,268</u>	<u>23,255</u>
SCHEDULE : 8		
SUNDRY DEBTORS		
(Unsecured, considered good unless otherwise stated)		
Billing Debtors:		
Outstanding for more than six months		
- Considered Doubtful	4,183	-
Less: Provision	<u>(4,183)</u>	<u>-</u>
Others		
- Considered Good	90,765	48,542
- Considered Doubtful	4,395	10,440
Less: Provision	<u>(4,395)</u>	<u>(10,440)</u>
	<u>90,765</u>	<u>48,542</u>
	<u>90,765</u>	<u>48,542</u>
SCHEDULE : 9		
CASH AND BANK BALANCES		
Cheques in Hand	95,629	748
Balances in Scheduled Banks		
- in Current Account	6,255	11,048
- in Fixed Deposits	28	60,252
- in Deposit Account as Margin Money	603	-
	<u>102,515</u>	<u>72,048</u>

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

Particulars	As at March 31, 2003 (Rs. '000)	As at March 31, 2002 (Rs. '000)
SCHEDULE : 10		
LOANS AND ADVANCES		
(Unsecured – considered Good unless otherwise stated)		
Advances recoverable in Cash or in kind or for value to be received	3,176	17,890
Interest Accrued on Investment	25	32
Income Tax paid	–	–
	3,201	17,922
SCHEDULE : 11		
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors	202,385	225,359
Security Deposit	100,130	–
Other Liabilities	12,625	2,825
Advance received from Customers	17,741	2,069
	332,881	230,253
Provisions		
Provision for Warranty	8,672	7,106
Provision for Tax (Net of Advance Tax Rs . 2,202, Previous Year Rs . 922)	558	578
Total Provisions	9,230	7,684
	342,111	237,937
SCHEDULE : 12		
MISCELLANEOUS EXPENDITURE		
(to the extent not written off)		
Deferred Revenue Expenditure		
Opening Balance	–	3,459
Add: Addition during the year	–	–
Less: Charged off during the year	–	3,459
Closing Balance	–	–
Preliminary Expenditure		
Opening Balance:	36	45
Add: Addition during the year	–	–
Less: Charged off during the year	36	9
Closing Balance	–	36
	–	36

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

Particulars	For the year ended March 31, 2003 (Rs. '000)	For the year ended March 31, 2002 (Rs. '000)
<u>SCHEDULE : 13</u>		
<u>OTHER INCOME</u>		
Lease Rentals	742	-
Rent	2,400	-
Miscellaneous Income (including Provision no longer required written back Nil, Previous Year Rs. 282)	7,669	2,783
	10,811	2,783
 <u>SCHEDULE : 14</u>		
<u>OPERATING EXPENDITURE</u>		
Installation Charges	10,677	3,257
Electricity & Water	-	2
Insurance Expenses	347	978
Repair & Maintenance Charges -Building	156	114
Freight	11,244	2,925
	22,424	7,276
 <u>SCHEDULE : 15</u>		
<u>COST OF SALES</u>		
Opening Stock	15,774	-
Add : Purchases	471,565	162,548
Less : Closing Stock	78,268	15,774
	409,071	146,774
 <u>SCHEDULE : 16</u>		
<u>PERSONNEL EXPENDITURE</u>		
Salaries, Wages and Bonus	31,094	29,852
Contribution to Provident and Other Funds	563	774
Staff Welfare	28	390
Recruitment and Training	3	18
	31,688	31,034
 <u>SCHEDULE : 17</u>		
<u>SALES AND MARKETING EXPENDITURE</u>		
Advertisement & Marketing Expenses	2,474	527
Sales Commission and Incentive	5,316	760
Waiver and Discounts	1,358	-
Warranty Expenses	4,486	7,106
	13,634	8,393

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

Particulars	For the year ended March 31, 2003 (Rs. '000)	For the year ended March 31, 2002 (Rs. '000)
SCHEDULE : 18		
ADMINISTRATIVE AND OTHER EXPENDITURE		
Roaming Charges, Commission & Rentals	–	–
Legal & Professional Charges	205	112
Rates, Fees and Taxes	18	182
Telephone, Telex and Postage	48	–
Printing and Stationery	–	1
Travelling and Conveyance	2,268	2,770
Rent Expenses	6,460	–
Repairs and Maintenance	480	3
Provision for Doubtful Debts/Advances	–	10,440
Miscellaneous Expenses	276	478
Billing & Software Expenses	44	–
Loss on Sale of Assets	8,022	–
Charity & Donation	2,505	–
	20,326	13,986
 SCHEDULE : 19		
FINANCE EXPENSES		
Interest :		
– On Security Deposit	15,000	12,005
– On Cash Credit	57	–
– On Others	14	–
Other Finance Charges (including exchange rate variation Credit Rs. 155, Previous Year Debit Rs. 905)	2,107	1,778
Gross Finance Expenses	17,178	13,783
Less: Interest Income :		
– from others (Gross of TDS Rs. 79, Previous Year Rs. 100) (Includes Rs. 2,174 on account of finance lease, Previous Year Nil)	2,556	499
Total Finance Income	2,556	499
Total Finance Expenses (Net)	14,622	13,284
 SCHEDULE : 20		
AMORTISATION		
Preliminary Expenses Amortised	36	9
Deferred Revenue Expenditure written off	–	3,459
Total Amortisation	36	3,468

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

SCHEDULE : 21

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Company in respect of these financial statements, are set out below.

1. BASIS OF PREPARATION

These financial statements are prepared under the historical cost convention in accordance with generally accepted accounting principles and provision of the Companies Act, 1956.

2. FIXED ASSETS

Fixed Assets are stated at cost of acquisition and subsequent improvements thereto, including taxes, duties, freight and other incidental expenses related to acquisition and installation. Capital work-in-progress is stated at cost.

3. DEPRECIATION

Depreciation is provided on straight-line method at the rates prescribed by Schedule XIV to the Companies Act, 1956, except for the following on which depreciation is provided on straight-line method to write off the cost of the fixed assets over their estimated useful lives:

	Rate of Depreciation
Building	5%
Office Equipment	33.33%
Computer	33.33%
Vehicles	10.00%
Furniture & Fixtures	20.00%
Plant & Machinery	6.67%
Air Conditioners	10.00%

Software up to Rs. 500 thousand is written off in the year of purchase.

4. REVENUE RECOGNITION AND RECEIVABLES

Revenue from traded goods is recognised at the point of dispatch of goods to customers based on their confirmed orders or when title is transferred on endorsement and delivery of shipping documents in case of high sea sale. Installation charges are recognised as revenue on satisfactory completion of installation. Revenue from audio-conferencing is recognised on the actual usage basis and is net of discount. Provision for doubtful debts is made for dues outstanding for more than 90 days.

5. WARRANTY

Provision for warranty is based on technical estimates provided by management.

6. INVENTORIES

Inventories are valued at the lower of weighted average cost or net realisable value.

7. TRANSLATION OF ITEMS IN FOREIGN CURRENCY

Transactions in Foreign Currency are recorded at the exchange rate prevailing at the date of the transaction. Monetary items are restated at year-end foreign exchange rates. Resultant exchange differences arising on payment or conversion of liabilities are recognised as income or expense in the year in which they arise except in respect of liabilities for acquisition of fixed assets, where such exchange difference is adjusted in the carrying cost of the respective fixed asset.

8. LEASES

As lessor- operating lease

Lease rentals in respect of 'Operating Lease' as per Accounting Standard -19 have been taken into the Profit and Loss Account.

As lessor- finance lease

Finance lease are accounted as sale in the Profit & Loss Account and receivables shown accordingly, as per Accounting Standard-19. Finance charges on hire-purchase contracts and income from finance lease transactions are computed using internal rate of return method which ensures a constant periodic rate of return on net finance amount outstanding.

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

As Lessee

Lease rentals in respect of assets taken on operating lease are charged to Profit & Loss Account on accrual basis. Assets taken on finance lease are accounted for as assets of the company. Lease rental payable are apportioned between principle and interest using the internal rate of return method and finance charge is recognised accordingly.

9. TAXATION

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit/(loss) for the period. Current tax is computed as per the provisions of Income Tax Act, 1961. Net outstanding balance in current tax account is recognised as current liability/current asset. However, in the year of transition, the accumulated deferred tax asset/liability at the beginning of the year is recognised with a corresponding charge/credit to the Reserves in accordance with Accounting Standard 22 issued by the Institute of Chartered Accountants of India.

Deferred tax assets are recognised for all deductible timing differences and carried forward to the extent there is reasonable certainty that sufficient future taxable profit will be available against which such deferred tax assets can be realised. Deferred tax assets to the extent they pertain to brought forward losses and unabsorbed depreciation, are recognised only to the extent that there is virtual certainty of realisation, based on expected profitability in the future as estimated by the Company.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

10. MISCELLANEOUS EXPENDITURE

Expenditure incurred by the Company from the date of incorporation of the Company up to the date of commencement of commercial operations, not directly attributable to fixed assets are charged to the Profit and Loss Account in the year in which such expenditure is incurred. Preliminary expenses are charged to the Profit & Loss Account on commencement of commercial operations.

11. SEGMENTAL REPORTING

a) Primary Segment:

The Company operates in two primary business segment viz. 'Trading Division' that includes trading of hardware items and 'Telecom Division'.

b) Secondary Segment:

The Company caters only to the needs of Indian market representing a singular economic environment with similar risks and rewards and hence there are no reportable geographical segments.

12. EARNING PER SHARE

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares.

13. RETIREMENT BENEFITS

Contribution to provident fund is made at predetermined rates and is charged to Profit & Loss Account.

14. BORROWING COST

Borrowing costs attributable to the acquisition or construction of a qualifying asset is capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

SCHEDULE : 22 NOTES TO ACCOUNTS

1. Contingent Liabilities (Rs. '000)

	As at March 31, 2003	As at March 31, 2002
Capital Commitments	NIL	289
Bank Guarantee	17,240	4,550

2. Additional Information pursuant to provisions of Part II of Schedule VI to the Companies Act, 1956.

a. Details of purchases and sales:

Particulars	Purchases # @ 2002-2003		Purchases # @ 2001-2002		Sales 2002-2003		Sales 2001-2002	
	Qty. Nos.	Value (Rs. '000)	Qty. Nos.	Value (Rs. '000)	Qty. Nos.	Value (Rs. '000)	Qty. Nos.	Value (Rs. '000)
I. BIT	1,783	159,520	1,820	132,178	1,445	159,475	1,549	183,817
II. PAMA VSATs Assembly sets @		56,747		25,495		56,843		31,299
III. Gateway		212,679		Nil		234,106		Nil
IV. Others		42,618		4,874		17,781		Nil
Total		471,564		162,547		468,205		215,116

b. Details of inventories: # *

Particulars	As at March 31, 2003		As at March 31, 2002	
	Qty. Nos.	Value (Rs. '000)	Qty. Nos.	Value (Rs. '000)
I. BIT	609	48,773	271	13,827
II. PAMA VSATs Assembly sets @		13,248		1,572
III. Gateway		8,306		Nil
IV. Others		7,941		374
Total		78,268		15,773

@ In view of heterogeneous nature of PAMA VSATs, quantitative particulars have not been disclosed.

Purchases and inventories disclosed above exclude goods in transit.

* Stock amounting to Rs. 9,009 thousand is lying with third party.

	2002-2003 (Rs. '000)	2001-2002 (Rs. '000)
c. CIF value of imports Traded goods	249,255	89,371
	2002-2003 (Rs. '000)	2001-2002 (Rs. '000)
d. Earnings in foreign exchange Others	3,384	Nil

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

3. There are no dues to small scale industries (SSI) creditors as at March 31, 2003.
4. The Company has unabsorbed depreciation and carry forward losses under Income Tax Act, 1961. However, as a prudent policy, deferred tax asset as required by AS-22 issued by Institute of Chartered Accountants of India has not been recognized in view of absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.
5. Auditors' Remuneration

	For the year ended March 31,2003 (Rs. '000)	For the year ended March 31,2002 (Rs. '000)
Audit Fee	135	75
Tax Audit Fee	25	-
Certification Charges	-	15
Service Tax	8	5
	168	95

6. Assets given under Finance Lease from 1st April, 2002 in accordance with the AS-19, issued by the Institute of Chartered Accountants of India, with contractual maturities lease financing activities are set out below:

	Gross Investment in Finance Lease	Unearned Finance Income	Amount (Rs. 000's) Present value of Future Lease receivables
Not later than one year	15,062	4,015	11,047
Later than one year but not later than five years	23,022	2,881	20,141
Later than five years	-	-	-
Total	38,084	6,896	31,188
Less: Provision for uncollectible Lease receivables	-	-	-
Total	38,084	6,896	31,188

7. During the year, Company has written off balance amount of preliminary expenditure, as against its policy of writing it off over a period of five years till the last year. Due to this change, loss for the year is higher by Rs. 27 thousand.
8. Earnings per Share
 - a. Calculation of Weighted average number of equity shares of Rs. 10/- each.

	2002-03 ('000)	2001-02 ('000)
Number of equity shares at the beginning of the year	100	100
Number of equity shares outstanding at the end of the year	100	100
Weighted average number of equity shares outstanding during the year	100	100
b. Net profit after tax available for equity shareholders (in Rs. '000)	(11,037)	4,243
c. Basic and Diluted Earnings (in Rs.) per Share	(110.37)	42.43

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

9. Segmental Results

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

The following table presents the revenue, profit/(loss), assets & liabilities information relating to the respective Business Segments for the year ended March 31, 2003.

(Rs. '000)

REPORTABLE SEGMENTS	TELECOM DIVISION		TRADING DIVISION	
	March 31, 2003	March 31, 2002	March 31, 2003	March 31, 2002
REVENUE				
Service Revenue/Sale of Goods and Other Income	8,494	2,783	507,706	234,973
TOTAL REVENUE	8,494	2,783	507,706	234,973
RESULTS				
EBITDA	(344)	2,313	19,402	27,980
Segment Result, Profit/(Loss)	(12,624)	(8,898)	17,469	27,526
OPERATING PROFIT	(12,624)	(8,898)	17,469	27,526
Net Finance Expense/(Income)	15,109	12,040	(487)	1,244
NET PROFIT/(LOSS)	(27,733)	(20,938)	17,956	26,282
Provision for Tax	-	1,500	1,261	-
Deferred Tax (Expense)/Income	-	399	-	-
Minority Share	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	(27,733)	(22,039)	16,695	26,282
OTHER INFORMATION				
Segment Assets	71,905	-	273,968	-
Inter Segment Assets	98	-	2,963	-
Deferred Tax Asset	399	-	-	-
Advance Tax (Net of Provision for tax)	-	-	-	-
TOTAL ASSETS	72,401	-	276,931	-
Segmental Liabilities	113,839	-	237,127	-
Inter Segment Liabilities	7,309	-	(3,149)	-
Minority Interest	-	-	-	-
TOTAL LIABILITIES	121,148	-	233,978	-
Capital Expenditure	17,186	-	2,533	-
Depreciation	12,244	-	1,932	-
Non Cash Expenses other than Depreciation	36	-	-	-

10. Previous year figures have been regrouped/rearranged, wherever necessary.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code

Balance Sheet Date - -
Date Month Year

II. Capital raised during the year (Amount in thousands)

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

III. Position of mobilisation and deployment of funds (Amount in thousands)

<p>Sources of funds</p> <p>Total Liabilities <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="1"/><input type="text" value="4"/><input type="text" value="0"/><input type="text" value="1"/><input type="text" value="6"/></p> <p>Paid up Capital <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="1"/><input type="text" value="0"/><input type="text" value="0"/><input type="text" value="0"/></p> <p>Secured Loans <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="8"/><input type="text" value="8"/><input type="text" value="2"/><input type="text" value="9"/></p> <p>Security Deposit <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="2"/><input type="text" value="7"/></p> <p>Application of funds</p> <p>Net Fixed Assets <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="7"/><input type="text" value="4"/><input type="text" value="1"/><input type="text" value="8"/><input type="text" value="5"/></p> <p>Net Current Assets <input type="text" value=""/><input type="text" value=""/><input type="text" value="(-)"/><input type="text" value="6"/><input type="text" value="7"/><input type="text" value="3"/><input type="text" value="6"/><input type="text" value="2"/></p> <p>Accumulated Losses <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="6"/><input type="text" value="7"/><input type="text" value="9"/><input type="text" value="4"/></p>	<p>Total Assets <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="1"/><input type="text" value="4"/><input type="text" value="0"/><input type="text" value="1"/><input type="text" value="6"/></p> <p>Reserves & Surplus <input type="text" value=""/><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"/></p> <p>Unsecured Loans <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="4"/><input type="text" value="1"/><input type="text" value="6"/><input type="text" value="0"/></p> <p>Investments <input type="text" value=""/><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"/></p> <p>Miscellaneous Expenditure <input type="text" value=""/><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"/></p> <p>Deferred Tax Asset <input type="text" value=""/><input type="text" value=""/><input type="text" value=""/><input type="text" value="3"/><input type="text" value="9"/><input type="text" value="9"/></p>
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IV. Performance of the Company (Amount in thousands)

Turnover <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/>	Total Expenditure <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="7"/> <input type="text" value="5"/>
Profit/(Loss) Before Tax <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="(-)"/> <input type="text" value="9"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="6"/>	Profit/(Loss) After Tax <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="(-)"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="7"/>
Earning per Share in Rs. <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="7"/>	Dividend Rate <input type="text" value=""/> <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"/>

V. Generic names of three principal products/services of the company (as per monetary terms)

Item code No. (ITC Code)

Product Description

On behalf of the Board

BADRI AGARWAL
Director

K.L. JAIN
Director

Place : New Delhi
Date: September 15, 2003