

Integrated  
Textile Solutions™





**Ashok B. Jiwrajka**  
Executive Chairman



**Dilip B. Jiwrajka**  
Managing Director



**Surendra B. Jiwrajka**  
Executive Director



**Chandrakumar Bubna**  
Executive Director



**Ashok G. Rajani**  
Director



**K. R. Modi**  
Director



**Ashok Kumar**  
Nominee Director of  
Industrial Development  
Bank of India



**K. J. Punnathara**  
Nominee Director of  
Life Insurance  
Corporation of India



**K. C. Jani**  
Nominee Director of  
Industrial Development  
Bank of India



**A. K. Bhan**  
Nominee Director of  
IFCI Limited

## CORPORATE OBJECTIVE

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- To ensure total customer satisfaction
- To be a global textile enterprise
- To attain leadership in all facets of operation and meet global standards of cost, quality and pricing
- To constantly provide opportunities and create values for all the employees and society at large
- To maximise profit and shareholders wealth

## QUEST FOR EXCELLENCE

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We are a professionally managed company, catering to the needs of the Global Textile Industry.

We have modern state-of-the-art facilities for Weaving, Knitting, Processing, Embroidery, Garmenting, Home Textiles and Texturising providing total solutions for the Global Textile Industry.

With more than a decade of dedicated involvement with the Textile Industry, our core competency lies in assuring manufacturers of quality, consistency and dependable delivery schedules at Internationally competitive prices.

We draw strength from our ability to make fabrics based on customer specifications.

We constantly create value and attain Global Benchmarks in every facet of our operation.

We constantly adopt new technologies and are well equipped to face the challenges in the post-Gatt era.

We provide Integrated Textile Solutions for Quality, Versatility and Reliability.



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1
<b>Other Information</b>
2
<b>Chairman's Message</b>
3
<b>Financial Highlights</b>
4
<b>Notice</b>
8
<b>Director's Report</b>
14
<b>Practising Company Secretarial Compliance Certificate</b>
15
<b>Management Discussion &amp; Analysis</b>
21
<b>Corporate Governance Report</b>
28
<b>Auditors' Report</b>
31
<b>International Accountants' Report</b>
32
<b>Balance Sheet, Profit and Loss Account, Cash Flow Statement and Schedules</b>
58
<b>Shareholders' Information</b>
62
<b>Health, Safety and Environmental Policy</b>
63
<b>Alok's Philosophy</b>

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## Bankers

Andhra Bank  
Bank of India  
Bank of Baroda  
Development Credit Bank Limited  
ING Vysya Bank Limited  
Punjab National Bank  
State Bank of India  
State Bank of Hyderabad  
State Bank of Bikaner & Jaipur  
State Bank of Patiala  
State Bank of Mysore  
State Bank of Indore  
Standard Chartered Bank  
Syndicate Bank  
The Jammu & Kashmir Bank Limited  
The Karur Vysya Bank Limited  
The Federal Bank Limited  
United Bank of India

## Statutory Auditors

Gandhi & Parekh  
Chartered Accountants

## International Accountants

Deloitte Haskins & Sells  
Member – Deloitte Touche and Tohmatsu International (DTTI)

## Internal Auditors

Shah Gupta & Co.  
Chartered Accountants  
Devdhar Joglekar & Srinivasan  
Chartered Accountants  
N.T. Jain & Co.,  
Chartered Accountants

## Legal Advisors & Solicitors

Kanga & Co.

## Vice President (Legal) & Company Secretary

K. H. Gopal

## Listing

Stock Exchanges at:  
Mumbai, and National Stock Exchange of India Limited

## Share Transfer Agent,

M/s. Intime Spectrum Registry Limited  
C-13, Pannalal Silk Mills Compound,  
L B S Marg,  
Bhandup (West), Mumbai-400 078.

## ISIN for dematerialisation of shares

INE 270A01011

## Website Address

www.alokind.com

## E-mail Address

Info@alokind.com

## Registered Office

B/43, Mittal Tower,  
Nariman Point, Mumbai – 400 021

## Corporate Office

108, Shah & Nahar (Worli) Industrial Estate,  
Off Dr. E. Moses Road,  
Worli, Mumbai – 400 018

## Delhi Office

177, Alok House,  
Sant Nagar, East of Kailash,  
New Delhi – 110 065

## Works

### Weaving

- Babla Compound, Kalyan Road,  
Bhiwandi – Dist. Thane
- Survey No.17/5/1 & 521/1, Rakholi/Saily, Silvassa,  
Union Territory of Dadra & Nagar Haveli.
- Survey No. 209/1 & 209/4,  
Village Dadra, U. T. of Dadra and Nagar Haveli.

### Processing

- Plot No.C-16/2, Village Pawane,  
TTC Industrial Area, MIDC, Navi Mumbai  
District: Thane
- Survey No.268, Village Balitha,  
Taluka Pardi, Dist: Valsad  
State: Gujarat

### Knitting

- Survey No.17/5/1, Rakholi, Silvassa,  
Union Territory of Dadra & Nagar Haveli
- Survey No.521/1, Village Saily, Silvassa  
Union Territory of Dadra & Nagar Haveli

### Texturising (Yarn)

- Survey No.103/2, Rakholi, Silvassa,  
Union Territory of Dadra & Nagar Haveli
- Survey No.521/1, Village Saily, Silvassa  
Union Territory of Dadra & Nagar Haveli

### Garments

Plot No. C- 271/272, TTC Industrial Estate,  
Turbhe, Navi Mumbai.



Dear Members,

Your company, over the last few years, had nurtured a vision to transform into a global textile major. I am happy to state that your company is gradually progressing towards realizing this vision.

I am extremely pleased to report that during the year under review, your company's exports grew around **311%** to Rs.111 Crores from Rs.27 Crores in the previous year. This growth came from mainly your company's venture into home textiles segment. Going forward, this segment will mainly drive your company's export growth. The total turnover of your company was Rs.1069 Crores, an increase of **34.47%** over the previous year's turnover of Rs.795 Crores. The Profit Before Tax during the year was Rs.93 Crores, an increase of **57.63%** over the previous year's figure of Rs. 59 Crores.

The world trade in textiles is scheduled to change significantly and dramatically from January 2005. The year 2005 will put an end to the era of the quota regime. In addition, major textile players in both US and Europe are out-locating manufacturing capacities due to the high cost of manufacturing. These two developments are expected to bring about a shift in capacities towards the Asia-Pacific regions and a change in international buying patterns. The need to source from various countries would cease and sourcing will be restricted to a few countries of which, India and China are slated to be the biggest beneficiaries.

The Government of India has taken measures to ensure that the country is prepared to capitalize on the post-WTO opportunity. Thus we have had the promulgation of the Technological Upgradation Scheme, gradual reduction of import duties on textile machineries, rationalization of indirect taxes etc. In the Union Budget 2004-05, the Honorable Finance Minister has taken the unprecedented and radical move in removing the mandatory excise duty on pure cotton products whether in the form of yarn, fabric or garment. This sends across strong signals that the textile and garment industries are very important for the country and that the government will support these employment oriented industries.

It has to be, however, kept in mind that while the opportunity is immense, the challenges are also vast. Corporations need to become focussed and flexible. They will need to define key principles required to achieve operational excellence and develop strategies to become customer-focused organisations. The Indian textile industry may now witness opportunities that may come in form of strategic tie-ups with textile giants from the western world for supply of goods, technical know-how, equity participation etc. The Indian corporates need to act quickly on these opportunities in order to penetrate overseas markets. The current modern and big players in the Indian textile industry are taking necessary steps to realise this potential and it is my firm belief that they will, in a short span of time, establish the India's image as a premier textile brand.

Your company has metamorphosed into a textile major with interests in home textiles, apparel fabrics, garments and textured yarn with a customer base comprising of renowned international and domestic retailers, importers and buying houses. Your company's manufacturing facilities that comprise of some of the finest equipments have met the stringent requirements of global retailers and importers in terms of quality, pricing and environmental aspects. In order to fully capitalize on the opportunities presented by the post-WTO scenario, your company is in the midst of further scaling up capacities for home textiles, apparel fabrics and garments at an aggregate cost of Rs.580 Crores. Post-expansion, your Company would be amongst the leading integrated textile players with the ability to offer a wide range of high value-added products at international prices and quantities. Your company will thus ideally be in the forefront to capitalize on the opportunities presented by the abolishment of quotas.

Your company will now concentrate on optimizing operational efficiencies and moving towards value added products for better margins and acquiring a niche position in its chosen areas. Your company will be strengthening processes to achieve sustainable and profitable growth in a challenging environment. I assure you that future years will see your company constantly striving to improve upon the standards set internally and by the outside fraternity on the technical, commercial, financial and social parameters.

Your company is where it is today primarily due to the splendid efforts of its dedicated and committed employees. We continue to bank on them to deliver results consistently and place the company firmly on the international map. Your company is also grateful for the support and co-operation received from the financial institutions and banks, customers, business associates and our valued shareholders. I look forward to their continued support in the company.

Thank you,

**ASHOK B. JIWRAJKA**  
EXECUTIVE CHAIRMAN



(Rs. in Crores)

Particulars	2003-04	2002-03	2001-02	2000-01	1999-00
<b>Operating profits</b>					
Net Sales	1,068.85	795.41	564.97	443.29	322.17
Operating Profit	198.40	137.14	98.14	76.21	60.87
Depreciation	38.28	25.42	15.74	11.10	8.79
Misc. Exp. W/off	1.15	0.85	0.78	0.77	0.75
PBIT	158.97	110.87	81.62	64.34	51.33
Interest	66.40	51.51	39.17	32.37	28.45
PBT	92.57	59.36	42.45	31.97	22.88
PAT	71.08	42.31	37.91	29.47	21.38
Cash Profit	110.51	68.58	54.43	41.34	30.92
Dividend	11.65	7.04	3.21	3.58	4.65
Net Cash Accruals	98.86	61.54	51.22	37.76	26.27
<b>Financial Position</b>					
Gross Fixed Assets	690.84	453.59	355.04	227.89	144.94
Net Fixed Assets	579.53	380.39	307.30	195.83	123.99
Current Assets	845.10	593.15	422.85	321.64	262.42
Investments	4.07	4.07	4.00	4.06	4.06
Total Assets	1,428.70	977.61	734.15	521.52	390.48
Equity Share Capital	88.23	87.69	42.29	28.35	27.82
Reserves & Surplus	218.00	162.73	142.85	105.63	77.67
Miscellaneous Expenses	–	1.15	2.00	2.50	2.63
<b>Tangible Net worth</b>	306.23	249.27	183.14	131.49	102.86
Share Application Money	18.10	–	–	–	3.00
Share Warrants	3.32	–	–	–	–
Optionally Secured Fully Convertible Debentures	–	–	51.03	13.00	–
Application Money for FCDs	–	–	–	16.48	10.95
<b>Quasi Net worth</b>	327.65	249.27	234.17	160.96	116.81
<b>Deferred tax liability</b>	50.52	36.33	2.64	–	–
<b>Total Long Term Borrowings</b>					
Preference Share Capital	83.67	5.00	5.60	6.20	2.85
Secured Loans	371.48	262.70	207.71	156.12	116.45
Unsecured Loans	19.97	15.95	9.66	–	–
	475.12	283.65	222.97	162.32	119.30
<b>Total Short Term Borrowings</b>					
Secured Loans	75.00	27.80	19.70	–	–
Unsecured Loans	50.77	34.43	17.99	18.12	8.79
Working Capital Borrowings	301.20	203.29	140.85	104.72	81.23
	426.97	265.52	178.54	122.84	90.02
<b>Total Borrowings</b>	902.09	549.17	401.51	285.16	209.32
<b>Current Assets</b>	845.10	593.15	422.85	321.64	262.42
<b>Total Current Liabilities</b>					
Current Liabilities & Provisions	148.44	142.84	95.83	75.39	64.35
Short Term Borrowings	426.97	265.52	178.54	122.84	90.02
<b>Total Current Liabilities</b>	575.41	408.36	274.37	198.23	154.37
Net Working Capital	269.69	184.79	148.48	123.41	108.05
EPS	7.90	7.36	11.77	10.39	8.91
CEPS	12.53	12.07	17.45	14.58	12.90
Book Value	34.71	28.43	43.31	46.38	36.97



**NOTICE** is hereby given that the Eighteenth Annual General Meeting of the members of **ALOK INDUSTRIES LIMITED** will be held on Thursday, the 30th day of September, 2004 at 11.00 A.M. at **TEXTILES COMMITTEE AUDITORIUM**, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai 400 025 to transact the following businesses.

1. To receive, consider and adopt the Balance Sheet as at 31st March 2004, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividends on Preference and Equity Shares.
3. To appoint a Director in place of Shri Ashok G. Rajani who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri K.R. Modi who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

**SPECIAL BUSINESS:**

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309 and 310 read with Schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof for the time being in force) the Company hereby approves the re-appointment of Shri Chandrakumar Bubna as a Whole-time Director designated as Executive Director of the Company for a period of five years with effect from 01st May 2004 on the terms and conditions including salary, perquisites, allowances and commission as are set out in the Agreement entered into between the Company and the said Shri Chandrakumar Bubna, placed before the meeting, which Agreements are hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or Agreement as may be varied by the General Meeting, but so as not to exceed the limits, if any, specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto.”

“RESOLVED FURTHER THAT where in any financial year closing on and after 31st March, 2004, the Company has no profits or its profits are inadequate, the Company do pay to Shri Chandrakumar Bubna, remuneration by way of salary, perquisites and allowances not exceeding the ceiling limit specified under Section II of Part II of Schedule XIII to the Companies Act, 1956, (including any statutory modifications or re-enactment thereof for the time being in force).”
7. To consider, and if thought fit, to pass, with or without modifications, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT in supersession of the resolution passed by the members of the Company under section 293(1)(d) of the Companies Act, 1956 in the Annual General Meeting held on 25th September 2001, thereby limiting the borrowing powers of the Board of Directors of the Company upto Rs.1500 Crores (Rupees One Thousand Five Hundred Crores only), the consent of the Company be and is hereby accorded pursuant to Clause (d) of Sub-section (1) of Section 293 and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company for borrowing from time to time any sum or sums of monies, as it may be considered fit for the business of the Company on such terms and conditions as it may deem fit and expedient in the interests of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose) provided that the maximum amount of monies so borrowed by the Company shall (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) and outstanding at any given point of time, not at any time exceed the sum of Rs.3000 Crores (Rupees Three Thousand Crores only).”
8. To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Clause (a) of Sub-section (1) of Section 293 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Directors of the Company for mortgaging and/or charging all or any of the present and/or future movable and/or immovable properties and assets and the whole or substantially the whole of the undertaking(s) of the Company, on such terms and conditions and in such form and manner, as the Directors may determine for the purpose of securing various lenders who have granted and/or who may hereafter grant to the Company, financial facilities in the nature of short term/long term loans, bridge loans, short term/long term secured Non-Convertible Debentures or other forms of secured financial facilities for an aggregate nominal value not exceeding Rs.3000 Crores (Rupees Three Thousand Crores only) for the purpose of securing the said financial facilities granted/ to be granted to the Company, together with interest, further interest, liquidated damages, costs, charges, expenses and other monies payable by the Company under the terms of the respective financial facilities.”





“RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to finalise with the respective lenders the security documents and such other agreements for creating or evidencing the creation of mortgage and/or charge as aforesaid and to do all such other acts, deeds and things and resolve any matter as may be necessary for giving effect to this Resolution.”

**REGISTERED OFFICE:**

B-43, MITTAL TOWER,  
NARIMAN POINT,  
MUMBAI - 400 021.  
Mumbai : 30<sup>th</sup> August, 2004

By Order of the Board

**K.H. Gopal**  
Vice President (Legal)  
Company Secretary

**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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, is enclosed hereto.
3. The Register of Members and Share Transfer Book of the Company will be closed from Tuesday, the 21st day of September 2004 to Thursday, the 30th September 2004 (both days inclusive).
4. If the dividend on shares, as recommended by the Board of Directors, is declared at the Meeting, payment thereof will be made (i) to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company's Registrars and Share Transfer Agent M/s. Intime Spectrum Registry Limited as on 30th day of September, 2004; and (ii) in respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
5. Members are requested to notify immediately any change in their address to the Share Transfer Agent M/s. INTIME SPECTRUM REGISTRY LIMITED, C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai-400 078; Tel.No.: 55555454; Fax No.25672693.
6. Members are requested to bring their copy of the Annual Report to the Meeting and produce the Attendance Slip at the entrance where the Annual General Meeting will be held.
7. The Company has already transferred the unclaimed Dividend, declared upto the financial year ended 31st March 1995 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

The Company has already transferred the unclaimed dividend for the year ended 31st March, 1996 to the Investor Education and Protection Fund (IEPF).

8. The dividend for the year 1997 will be transferred to IEPF on 22.10.2004. Members who have not encashed their dividend warrants pertaining to the year 1996–1997 have already been informed through a separate individual written notice to approach the Company's Registrar and Share Transfer Agent M/s. INTIME SPECTRUM REGISTRY LIMITED, C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai-400 078, on or before 22.09.2004, to check up and send their claims, if any, before the amounts become due for transfer to the above Fund.



Pursuant to the amendment to the Companies Act, 1956 the unpaid dividends that are due for transfer to the IEPF are as follows :

Financial year ended	Date of Declaration	Last date for claiming unpaid dividend	Due date for Transfer to IEP Fund
31.03.1997	23.09.1997	22.09.2004	22.10.2004
31.03.1998	22.09.1998	21.09.2005	21.10.2005
31.03.1999	23.09.1999	22.09.2006	22.10.2006
31.03.2000	20.10.2000	19.10.2007	19.11.2007
31.03.2001	25.09.2001	24.09.2008	24.10.2008
31.03.2002	27.09.2002	26.09.2009	26.10.2009
31.03.2003	30.09.2003	29.09.2010	29.10.2010

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company's Registrar and Share Transfer Agent M/s. INTIME SPECTRUM REGISTRY LIMITED, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078.

#### 9. Re-appointment of Directors:

At the forthcoming Annual General Meeting, Shri Ashok G. Rajani and Shri K.R. Modi retire by rotation and being eligible offer themselves for re-appointment. The information/details pertaining to the above two Directors that is to be provided in terms of Clause 49 of the Listing Agreement executed by the Company with the stock exchanges are furnished in the statement of Corporate Governance published elsewhere in this Annual Report.

#### 10. Electronic Clearing Services (ECS) Facility

With respect to payment of dividend, the Company provides the facility of ECS to all shareholders, holding shares in electronic and physical forms, residing in the following cities:

**Ahmedabad, Bangalore, Bhubhaneshwar, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkatta, Mumbai, Nagpur, New Delhi, Pune and Thiruvananthapuram.**

Shareholders holding shares in the physical form who wish to avail ECS facility, may authorize the Company with their ECS mandate in the prescribed form which can be obtained from the Registrar and Share Transfer Agent, M/s Intime Spectrum Registry Limited. Requests for payment of dividend through ECS for the year 2003 - 2004 should be lodged with M/s. Intime Spectrum Registry Limited on or before 30th September, 2004.

#### 11. Equity Shares of the Company are listed on the following Stock Exchanges:

##### **The Stock Exchange, Mumbai**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

##### **National Stock Exchange of India Limited,**

Exchange Plaza, 5th Floor,  
Plot No.C/1, "G" Block,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai - 400 051.

The Listing fees in all the above stated Exchanges have been paid upto March 31, 2005.

- The equity shares of the Company have been made compulsorily tradable in the electronic form for all investors w.e.f. 21st March 2000 as per SEBI's directive.
- Members desiring any information as regards to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

By Order of the Board

#### **REGISTERED OFFICE:**

B-43, MITTAL TOWER,  
NARIMAN POINT,  
MUMBAI - 400 021.

**K.H. Gopal**  
Vice President (Legal)  
Company Secretary

Mumbai : 30<sup>th</sup> August, 2004



## **EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

### **Item No.6**

The members, at the Annual General Meeting held on 23rd September 1999, had renewed the appointment of Shri Chandrakumar Bubna as Whole-time Director designated as Executive Director for a further period of 5 years with effect from 1st May 1999 on the terms and conditions contained in the Agreement dated 1st May 1999 entered into between the Company and the Whole-time director. Further the remuneration of the said whole-time director had been revised vide resolution dated 21st September 2000 passed by the Board of Directors of the Company. Further vide resolution-dated 29th April 2004 passed by the Board of Directors of the Company and also on the terms and conditions contained in an Agreement dated 1st May 2004 entered into between the Company and the Whole-time director, the appointment of the said whole-time director has been renewed for a further period of 5 years with effect from 01st May 2004.

As per the said Agreement, the Whole-time Director of the Company, is entitled to monthly salary of Rs.2,00,000/- and in addition thereto perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses/or allowances for utilisation of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and his family including dependents; club fees, medical insurance and such other perquisites and/or allowances, upto the amount of Rs.50,000/- subject to overall ceiling of remuneration stipulated in Section 198 and 309 of the Companies Act, 1956. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force).

In addition to the salary, perquisites and allowances as above, the aforesaid whole-time director shall also be entitled to receive commission. Such Commission, in the aggregate, shall not be more than 1% of the net profit of the Company, but the overall remuneration by way of salary, perquisites, allowances and commission, to all the Whole-time Directors of the Company put together shall not exceed in the aggregate 10% of the net profits of the Company calculated as per the provisions of the Companies Act, 1956.

In the event of loss or inadequacy of profits in any financial year during the currency of his tenure, the Company will pay remuneration by way of salary, perquisites and allowances not exceeding the ceiling limits set out in Section II part II of Schedule XIII to the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force).

The above re-appointment may be approved by the members in General Meeting and the Directors commend this resolution for acceptance by the members.

The Agreement entered between the Company and Shri Chandrakumar Bubna are available for inspection by the members of the Company at the Corporate Office of the company between 11.00 a.m. to 1.00 p.m. on all working days of the Company, except Saturdays, upto the date of the meeting.

The above may be treated as an abstract of the Agreement entered into between the Company and Shri Chandrakumar Bubna, pursuant to Section 302 of the Companies Act, 1956.

Shri Chandrakumar Bubna is interested in this resolution. None of the other Directors of the Company are, in any way concerned or interested in the resolution.

### **Item No.7**

At the Annual General Meeting of the Company held on 25th September 2001, the members had accorded their consent pursuant to Section 293(1)(d) of the Companies Act, 1956, to the Board of Directors of your Company for borrowing monies upto a limit of Rs.1500 Crores. In view of the increasing activities and operations and considering the expansion programme of your Company, it is thought fit to increase the limit to Rs.3000 Crores. The Resolution at Item No.7 is, therefore, placed for the approval of the Members pursuant to Section 293(1)(d) of the Companies Act, 1956.

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

### **Item No.8**

As stated in the explanatory statement at Item No.7 of this notice, your Company's activities and operations are increasing, thereby necessitating borrowings as stated in the resolution at Item No.7.

Your Directors consider that it would be expedient to have the approval of the shareholders for creating mortgage/charge in favour of various lenders in the event of your Company availing financial facilities of a secured nature.

The Resolution at Item No.8 is, therefore, placed for approval of the members pursuant to Section 293 (1)(a) of the Companies Act, 1956.

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

### **REGISTERED OFFICE:**

B-43, MITTAL TOWER,  
NARIMAN POINT,  
MUMBAI - 400 021.

Mumbai : 30<sup>th</sup> August, 2004

By Order of the Board

**K.H. Gopal**  
Vice President (Legal)  
Company Secretary

# DIRECTORS' REPORT



Dear Shareholders,

Your Directors have pleasure in presenting the Eighteenth Annual Report and the Audited Accounts for the financial year ended 31st March 2004.

## Financial Results

Your Company's performance during 2004 is summarised below:

	(Rs. in Crores)	
Particulars	2003-04	2002-03
Sales / Job charges (net of excise)	1068.85	795.41
Other Income	4.89	0.18
Total Income	1073.74	795.59
Total Expenditure	876.49	659.30
Profit before interest, depreciation & taxes	197.25	136.29
Interest	66.40	51.51
Depreciation	38.28	25.42
Profit Before Tax	92.57	59.36
Provision for Taxation - Current	7.30	4.50
- Deferred	14.19	12.55
Profit After Tax	71.08	42.31
Add: Balance brought forward	88.05	80.40
Add: Excess/(Short) provision of tax in respect of earlier year	-	0.12
Less: Provision for deferred tax for earlier years	-	(21.14)
Balance available for appropriation	159.13	101.69
Dividend: Equity	8.77	5.69
Preference	1.56	0.60
Tax on Dividend: Equity	1.12	0.73
Preference	0.20	0.02
Transfer to Capital Redemption Reserve	-	0.60
Dividend - earlier years	2.86	-
Transfer to Debenture Redemption Reserve	13.00	-
Transfer to General Reserve	9.00	6.00
Balance carried to Balance Sheet	122.62	88.05

## Dividend

Your Directors have recommended a dividend of Re.1/- per equity share entailing Rs.8.77 crores (excluding tax of Rs.1.12 crores) for the financial year ended 31st March 2004, which if approved at the forthcoming Annual General Meeting will be paid to all those Equity Shareholders whose names appear in the Register of Members as on 30th September 2004.

The payout on account of dividend on preference shares will be Rs.1.56 crores (excluding tax of Rs.0.20 crores).

## Operations

The performance of your Company for the year under review has been satisfactory. Your Company recorded sales of Rs.1069 crores, an increase of 34.5% over the previous year figure of Rs.795 crores. The Profit Before Tax was Rs.93 crores, an increase of about 57.6% increase over the previous year figure of Rs.59 crores. Your Company's exports (including incentives) increased to Rs.111 crores from Rs.27 crores representing an increase of 311.1%.

## Management Discussion and Analysis

In terms of Clause 49 of the Listing Agreements executed with the Stock Exchanges, Management Discussion and Analysis forms a part of this Report.



## Forward Integration Ventures

During the year under review, your company made a successful foray into the growing home textiles segment (bed linen). It gives us great pleasure to report that out of the total exports of Rs.111 crores in 2003-04, the exports of home textiles accounted for Rs.53 crores. The US market is by far the largest market for home textiles with a size of over US 21 billion, a major portion of, which is being catered to by their domestic manufacturers. With the removal of quotas many leading home textile players in the US are increasingly outsourcing their requirements in view of the difference in costs. This has opened up huge opportunities for players in the Asia-Pacific region like India, China, Pakistan etc. who have modern plants and the capacities to cater to the international retailers and importers. Accordingly, your company is expanding its home textile capacities to further capitalise on this emerging opportunity.

Home Textiles encompasses a wide range of products that includes bed linen and pillow cases, furnishing/upholstery fabrics, bath towels, bath rugs, table linen, kitchen linen etc. Your company having established its presence in the bed linen business is now planning to enter the terry towel business in order to provide greater synergy to the home textiles thrust and also to emerge as a complete home textiles player in the global scenario.

Apparel fabrics have always been the growth driver of your Company. With the global retail giants stepping up their outsourcing for apparel fabrics from India, this business segment is also expected to generate healthy export earnings.

In addition, your company is already into the garments segment for exports, which is showing encouraging performance. The company is also scaling capacities in this segment in order to cater to the increasing demand.

Accordingly, we expect these value added ventures to lead the export growth of your company in the coming years.

## Finance

During the year, your Company raised monies through the issues of equity / equity linked instruments and preference shares in order to retire certain high cost debt, part-finance capital expenditure, augment working capital margin money and improve the gearing of the company. The details of these equity and preference issues are described in more detail in the Management Discussion and Analysis section.

During the current year, the Company's raised borrowings (net) of Rs.276.78 crores to meet project expenditure and working capital requirements.

## FCCB Issue

In the current fiscal, i.e., in July 2004, your company has successfully concluded an issue of 2.5% unsecured compulsorily convertible Foreign Currency Convertible Bonds (FCCBs) aggregating USD 28.875 million and the said FCCBs are listed on the Luxembourg Stock Exchange. As on the date of this Report, 700 FCCBs out of the 1155 FCCBs issued stand converted into equity shares of the company. As a result of the conversion, the paid-up equity share capital of the company has increased from Rs.88.23 crores to Rs.104.99 crores. The monies arising out of the conversion have been utilised as per the applicable guidelines. The balance 455 FCCBs aggregating to USD 11.375 million are to be converted within 5 years from the date of the allotment i.e. 7th July 2004 as per the terms stated in the Offering Circular.

## Corporate Governance

Your Company reiterates its commitment to good corporate governance and has complied with the regulations in this regard. A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stated under Clause 49 of the Listing Agreements with the Stock Exchanges, form a part of this Annual Report.

## Fixed Deposits

Fixed Deposits with your Company as at year-end were Rs.4.76 crores. None of these deposits had matured for payment and consequently there were no unclaimed deposits till the date of this Report.

## Insurance

All insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured.

## Directors

During the year, the nomination of Shri M.C. Verma as Director on behalf of UTI Asset Management Company Private Limited (erstwhile Unit Trust of India) was withdrawn with effect from 31st October 2003.

Your Board wishes to place on record its appreciation of Shri M.C. Verma. The guidance, support and services during the tenure of his office as a Director of the Company have been invaluable.

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Shri Ashok G. Rajani and Shri K.R. Modi will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment.



The resumes of the above Directors, the nature of their expertise in specific functional areas, names of the companies in which they hold directorships and/or membership/chairmanship of Committees of the Board, as stipulated in Clause 49 of the Listing Agreement with the stock exchanges, are provided in the section on Corporate Governance elsewhere in this Annual Report.

### **Directors' Responsibility Statement**

Your Directors wish to inform Members that the Audited Accounts containing the Financial Statements for the financial year 2003-04 are in full conformity with the requirements of the Companies Act, 1956. They believe that the Financial Statements reflect fairly, form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the accounts the applicable accounting standards have been followed and there has been no material departure;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give them a true and fair view of the state of affairs of the Company as at 31st March 2004 and of the profit of the Company for the year on that date;
- (iii) the Directors have 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;
- (iv) the Directors have prepared the accounts of the Company on a 'going concern' basis.

### **Auditors and Auditors' Report**

The Statutory Auditors of the Company, M/s. Gandhi & Parekh, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Intimation from the Auditors has been received to the effect that their re-appointment, if made, will be within the limits laid down under Section 224(1-B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of sub section (3) of section 226 of the Companies Act, 1956.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

### **Cost Auditor**

The Central Government's Cost Audit Order specifies audit of Cost Accounting Records of the Company every year. This is applicable to the products manufactured by the Company. The Board of Directors, subject to the approval of the Central Government, has appointed B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai to carry out this audit for the current year.

### **International Accountants**

Deloitte Haskins & Sells, Member – Deloitte, Touche & Tohmatsu International (DTTI) appointed as International Accountants of the Company have submitted the report to the Board of Directors for the year under review and the same forms a part of this report for the information of members. They have also recast the Indian accounts as per the International Accounting Standards (IAS).

### **Personnel**

Information on particulars of employees as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company excluding the Statement of Particulars of Employees. Any shareholder interested in obtaining a copy of the said statement may write to the Company Secretary at the Corporate Office of the Company.

### **Environment Health and Safety**

Your Company's firmly believes in maintaining global standards of health, safety and environment. This philosophy has manifested itself in its plants which have been certified to be socially and environmentally compliant by renowned retailer and importers.

We are also pleased to inform you that your Company has been granted authorization according to Oeko-Tex Standard 100 to use the Oeko-Tex mark for the following articles:

- i) Fabrics made of cotton, viscose and their mixtures with polyester, Lycra® and spandex, grey, bleached, dyed, printed and finished;
- ii) Fabrics made of Polyester and its mixtures with cotton, viscose, Lycra® and spandex, grey, bleached, dyed, printed and finished.

The results of the inspection made as per Oeko-Tex Standard 100 have shown that the above-mentioned goods meet the human-ecological requirements of the standard presently established. The certified articles fulfil the requirements of the existing European legislation regarding the use of azo-dyes.



Your Company reiterates its strong commitment to the preservation of the environment and the maintaining of high safety and health standards at its plants and offices. Towards achieving this end, the drive towards attaining ISO 9001, ISO 14001, OHSAS 18001 and SA 8000 certifications has been intensified and receipt of certifications are underway.

#### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are attached as Annexure "A" to this Report.

#### **Acknowledgements**

Your Directors express their deep appreciation of the support received from the Government and other Regulatory authorities. Your Directors also place on record their deep sense of appreciation of the dedication of the Company's employees at all levels and are confident that they will maintain their commitment to excellence in the coming years. Your Directors also thank you, our valued shareholders, the Financial Institutions, Banks and customers for their continued trust in the company and its management.

For and on behalf of the Board

**Ashok B. Jiwrajka**  
Executive Chairman

Mumbai : 30<sup>th</sup> August 2004



Additional Information as required under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988:

#### (A) CONSERVATION OF ENERGY

##### (a) Energy conservation measures taken:

Your Company has been proactively seeking measures to conserve energy through innovation in order to reduce wastage and optimise consumption.

Some of the measures taken include:

- Installation of power capacitors for improving the power factor thereby reducing power consumption.
- Installation of variable speed frequency drive, VSD 900 compressor.
- Full condensate recovery from steam distribution system for indirect heating.
- Installation of capacitor banks to maintain power above a particular factor to save on power loss.
- Efficiency enhancing fuel additives and anti-sealing dosing systems in feed water line of Boiler for increased efficiency.
- Maintaining old machinery in good condition or replacing with energy efficient ones.
- Minimising idle running of equipments like air conditioners, pumps, lights, generators etc.
- Regular energy audits and inputs from employees for energy savings.

##### (b) Additional investment and proposals being implemented for reduction of consumption of energy:

- RCR system for soft flow dyeing machines to result in 15% energy savings.
- Heat Recovery from Boiler / Thermopac Stack.
- Installation of new age looms with energy efficient SUMO motor drive.
- Heat recovery from Loop Steamer Exhaust.
- Auto Blowdown of Boilers.

##### (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The energy conservation measures carried out by your company from time to time have provided yielded encouraging results. Efforts will continue to conserve energy and optimise its usage through innovative and planned measures.

#### FORM "A"

Form for disclosure of particulars with respect to conservation of energy.

#### A) Power and Fuel Consumption

##### 1) Electricity Purchased

	2003-04	2002-03
Units	57,452,729	30,653,525
Total amount (Rs. in crores)	15.98	8.81
Average Rate/Unit (Rs.)	2.78	2.87

##### 2) a) Own Generation through Diesel Generator Set

	2003-04	2002-03
Units	5,479,747	2,168,669
Total amount (Rs. in crores)	3.49	1.37
Average Rate/Unit (Rs.)	6.37	6.33

##### b) Diesel/Furnace Oil consumed per boiler

	2003-04	2002-03
Total amount (Rs. in crores)	7.36	8.09





## B) Consumption per unit of production

	2003-04	2002-03
a) Yarn (Kgs.)	26,261,547	8,223,101
Units Consumed (per kg.)	1.50	1.90
b) Fabric- Knits (Kgs.)	2,335,372	3,368,130
Units Consumed (per kg.)	0.90	1.42
c) Fabric Woven (Mtrs.)*	49,016,646	13,761,865
Units Consumed (per Mtr.)	1.01	0.46
d) Processing- Woven (Mtrs.)	5,010,418	15,815,299
Units Consumed (per kg.)	1.75	1.22
e) Processing- Knits (Kgs.)	351,399	197,248
Units Consumed (per kg.)	0.61	0.18

\* includes part of the activities carried outside.

## FORM "B"

	2003-04	2002-03
(B) TECHNOLOGY ABSORPTION	Nil	Nil

## C) Foreign Exchange Earnings and Outgo

	2003-04	2002-03
i) Total Earnings of Foreign Exchange	95.04	23.99
ii) Total outgo in Foreign Exchange		
● Foreign Travel	0.73	0.44
● Technical Consultancy Fees	5.67	0.36
● Purchase of Capital Goods	70.80	18.22
● Purchase of Spares	2.33	0.53
● Purchase of Raw Materials	0.07	Nil
● Interest on Foreign Currency Term Loans and Exchange Difference	0.60	1.55
● Dividend Remitted in Foreign Currency	Nil	0.04



To,

The Board of Directors,  
ALOK INDUSTRIES LIMITED

I have examined the registers, records, books and papers of Alok Industries Limited as required to be maintained under the Companies Act, 1956, ("the Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31st March 2004 ("Financial Year"). In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the Company, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns with the authorities prescribed under the Act and rules made there under.
3. The Board of Directors duly met seven times during the year in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.
4. The Annual General Meeting for the Financial Year ended on 31st March 2003 was held on 30th September 2003 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
5. One Extra-Ordinary General Meeting was held during the Financial Year on 29th March 2004 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minutes books maintained for the purpose.
6. The Company has paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration of dividend.
7. The Company has appointed M/s. Intime Spectrum Registry Limited as Share Transfer Agent who have duly informed us that the Company has delivered all the certificates on allotment of securities and on lodgement thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act.
8. The Board of Directors of the Company is duly constituted and the appointment of nominee directors and resignation of directors and re-appointment of Whole-time directors have been duly made in compliance with the provisions of the Act.
9. The Company has redeemed the Cumulative Redeemable Preference Shares being subscribed by General Insurance Corporation of India to the tune of Rs.33,33,000/- being the first installment, redeemed at par on 23rd August 2003.
10. The Company has altered its Memorandum of Association with respect to Authorized Share Capital of the Company after obtaining approval of the members in the Extra-Ordinary General Meeting held on 29th March 2004.
11. The Company has altered its Articles of Association with respect to Authorized Share Capital of the Company after obtaining approval of the members in the Extra-Ordinary General Meeting held on 29th March 2004.
12. The Company has constituted the Audit Committee required as per Section 292A of the Act.
13. The Company has appointed Cost Auditors under section 233B of the Act.

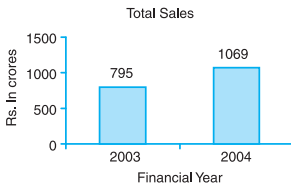
**Virendra Bhatt**  
Company Secretary  
ACS – 1157/CP –124

Mumbai : 25<sup>th</sup> August, 2004



## Key Financial highlights

The key financial highlights of 2003-04 are as follows:



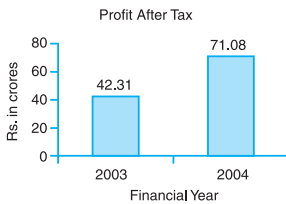
- Turnover increased to Rs.1069 crores, a growth of about 34.5% over the previous year (Rs.795 crores).



- Exports (including incentives) increased to Rs.111 crores, an increase of about 311.1% over the previous year (Rs.27 crores).



- Profit Before Tax grew to Rs.93 crores, an increase of about 57.6% over the previous year (Rs.59 crores).



- Profit after Tax grew to Rs.71 crores, an increase of about 69% over the previous year (Rs.42 crores).

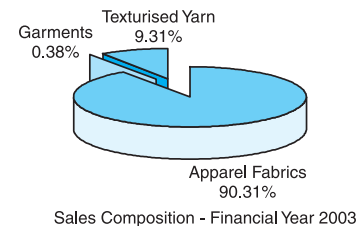
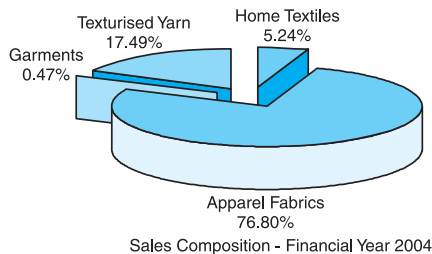
## Sales

Break-up of revenues by business segments (excluding inter-divisional sales) is as follows:

(Rs. in crores)

Particulars	2003-04	2002-03	% Growth in Value
Home Textiles	56	Nil	New activity
Apparel Fabrics	821	718	14.3%
Texturised Yarn	187	74	152.7%
Garments	5	3	66.7%
<b>Total</b>	<b>1069</b>	<b>795</b>	<b>34.5%</b>

During the year under review, your Company made a successful foray into the Home Textiles segment (bed linen) and registered an export turnover of Rs.58 crores. The overall sales increased by about 34.5% from Rs.795 crores in the previous year to Rs.1069 crores.





This growth in sales was due to more effective utilisation of capacities, commercial operations of the new texturising plants and the foray into the Home Textiles segment. Your Company continued to outsource capacities to meet the demand.

Exports increased to Rs. 111 crores (inclusive of incentives) from Rs.27 crores, a growth of about 311.1%, that was mainly due to the Home Textiles segment.

### **Costs & Expenses**

Principle cost and expenses are being classified into raw material consumed, employee's remuneration, operational and other expenses, interest and depreciation.

Raw Materials consumed (including trading purchases and change in finished goods/WIP) during the year increased to Rs.719 crores as compared to Rs.560 crores, an increase of about 28.4% in 2003-04 as compared to the previous year. The increase is in line with the increase in Sales.

Employees' remuneration in 2003-04 increased to Rs.15 crores from Rs.9 crores, an increase of around 66.7% over 2002-03. This was mainly due to increase in number of employees consequent to increase in manufacturing activities.

Operational and Other expenses in 2003-04 was Rs.142 crores as compared to Rs.91 crores in 2002-03, an increase of about 56%. This increase is on account of increase in power & fuel cost, packing material cost, stores consumption, rates & taxes and miscellaneous expenses. This is mainly due to increase in manufacturing operations of the Vapi processing and Silvassa texturising plants.

Interest and financing charges for 2003-04 increased to Rs.66 crores from Rs.52 crores in the earlier financial year. The increase in interest cost is due to increase in borrowings on account of the capital expenditure and increased working capital requirements. In terms of percentage to sales, however, the interest cost has decreased from 6.54% in 2002-03 to 6.17% in 2003-04. It is your company's endeavour to continuously reduce interest cost through various measures.

Depreciation has increased to Rs.38 crores as against Rs.25 crores in the previous year, an increase of 52%. This is mainly on account of increased Gross Block consequent to the expansion programs undertaken by the company.

Your Company's corporate tax liability for the year was Rs.7 crores, which was limited to the Minimum Alternate Tax (MAT).

Your Company has also made a provision of Rs.14 crores for deferred tax.

### **Profit**

Gross profit was Rs.198 crores as against Rs.137 crores for the previous year, an increase of 44.5%. The gross profit as a percentage of sales also increased to 18.6% in 2003-04 as compared to 17.2% in 2002-03. The increase in margin is mainly attributable to the higher value-added product mix achieved by the company like Home Textiles etc.

Cash profit (including deferred tax) was Rs.125 crores, an increase of 33% over 2002-03 cash profit of Rs.94 crores.

Net profit after tax for the year increased to Rs.71 crores, as compared to Rs.42 crores in the previous year, an increase of 69%. The growth in cash profits and profit after tax was due to the increase in sales and improved margins.

### **Earnings per share (EPS)**

EPS was Rs.7.90 (previous year Rs.7.36) and Cash earnings per share was Rs.12.53 (previous year Rs.12.07).

### **Gross Block**

Gross fixed assets including Capital work-in-progress and expenditure during construction period as on 31st March 2004 were Rs.691 crores as against Rs.454 crores as on 31st March 2003.

Capital expenditure incurred during the year was Rs.237 crores mainly on increasing capacities of home textiles, apparel fabrics and texturising under the Technology Upgradation Fund Scheme (TUFs).

Net Block of fixed assets, as on 31st March 2004 was Rs.580 crores as against Rs.380 crores as on 31st March 2003.

### **Current Assets**

Your Company's current assets consist of debtors, inventories, loans and advances and cash & bank balances. The current assets increased to Rs.845 crores in 2003-04 from Rs.593 crores in 2002-03. The current ratio at the end of the year stood at 1.47.

Your Company's cash and bank equivalents as at 31st March 2004 stood at Rs.157 crores against Rs.24 crores in the previous year.



## Capital Structure

The equity capital as on 31st March 2004 comprises of equity share capital of Rs.88.23 crores (previous year Rs.87.69 crores) and preference share capital of Rs.83.67 crores (previous year Rs.5.00 crores).

During the year under review, Company issued securities as per the following details on a preferential basis to the respective investors as per the SEBI Guidelines, as applicable, in this regard.

### Equity / Equity linked Instruments:

- (a) 5,38,890 (Five Lakh Thirty Eight Thousand Eight Hundred Ninety Two) Equity Shares at the rate of Rs.55.67 per share (face value per share Rs.10/- and premium Rs.45.67) aggregating about Rs.3 crores to M/s. Khandelwal Polyester Private Limited;
- (b) 29,00,000 (Twenty Nine lakh) Optionally Fully Convertible Debentures (OFCDs) to Life Insurance Corporation of India (LIC) at a face value of Rs.100/- per OFCD aggregating to Rs.29 crores. The conversion option on these OFCDs is to be exercised between the 12th and the 15th month from the date of allotment, i.e. 31st March 2004 and the option to convert rests with both the company and LIC. The conversion price for this purpose would be Rs.55.67 per share (face value per share Rs.10/- and premium Rs.45.67);
- (c) 59,66,400 (Fifty Nine Lakh Sixty Six Thousand Four Hundred) Warrants convertible into Equity Shares of the Company to TAD (Mauritius) Ltd., a Foreign Investor as a Foreign Direct Investment aggregating to around Rs.33 crores. The conversion option on these Warrants is to be exercised within 18 months from the date of allotment, i.e. 31st March 2004. The conversion price for this purpose would be Rs.55.67 per share (face value per share Rs.10/- and premium Rs.45.67). The company has received 10% of the subscription amount, which would be forfeited in case the option to convert is not exercised within the aforesaid 18 months.

### Redeemable Preference Shares:

Your Company has issued Cumulative Non-Convertible Redeemable Preference Shares to the following investors on terms and conditions including conditions as to dividend, premium, redemption etc as decided by the Board of Directors:

- (i) 1,50,00,000 (One Crore Fifty Lakh) Preference Shares of the face value of Rs.10/- per share equivalent to Rs.15.00 crores to UTI Bank Limited and
- (ii) 6,80,00,000 (Six Crore Eighty Lakh) Preference Shares of the face value of Rs.10/- per share equivalent to Rs.68.00 crores to TAD Mauritius Ltd. on a preferential basis.

### Utilisation of Preferential Issue proceeds

The details of the utilisation of the proceeds raised through the above mentioned preferential issue of securities are furnished below:

(Rs. in crores)				
Funds raised from	Nature of security issued	Amount raised	Funds utilized for	Amount Utilized
Tad Mauritius Ltd.	Cumulative Non-Convertible Redeemable Preference Shares	68.00	Issue Expenses	3.38
			Repayment of High debt cost	24.01
			Working capital	44.21
				71.60
	Share Warrants (10% received)	3.32		71.32
Life Insurance Corporation of India	Optionally Fully Convertible Debentures	29.00	Issue Expenses	0.29
			Repayment of High debt cost	29.00
				29.29
Khandelwal Polyester Private Limited	Equity Shares	3.00	Capital Goods	3.33

### Share Application Monies from Promoters

During the year, the promoters of the company have brought in share application monies to the tune of Rs.18.10 crores to part-finance the expansion projects. The allotment against this amount would be made after complying with the stipulated guidelines in this regard.



During the year, your Company redeemed preference shares to the extent of Rs.4.33 crores.

### Total Debt

The total debt of your Company has increased by Rs.274.25 crores during 2003-04. The increase is due to fresh loans availed by the company to part finance the expansion projects and to meet its working capital requirement.

### Tangible Net Worth

Your Company's net worth as on 31st March 2004 stood at Rs.328 crores as against Rs.249 crores in 31st March 2003. This was primarily due to increase in profits and increase in equity and share premium due to allotment of fresh equity, share warrants and promoters' share application monies.

### Debt- Equity Ratio

The Total Debt to Equity ratio and Debt equity ratio as on March 31, 2004 was 2.75 and 1.45 respectively, as against 2.2 and 1.14 correspondingly in the previous year. The increased gearing is mainly due to fresh term loans availed for expansion of home textiles, apparel fabrics and texturising and increased working capital borrowings in line with increase in operations. During the year 2004-05, your Company has raised additional equity consequent to the conversion of FCCBs and thus Total Debt to Equity ratio and Debt equity ratio is expected to improve significantly.

### Financial Condition and Liquidity

Your Company has been assigned "F1 (ind)" [F one (ind)] for Rs.400 million commercial paper programme by FITCH Ratings India Private Limited. The rating indicates highest credit quality and indicates the strongest capacity for timely payment of financial commitments.

FITCH Ratings India Private Limited has also assigned the "A (ind)" rating for Rs.200 million Non-Convertible Debenture Programme. The rating indicates adequate credit quality. The rating indicates that there is currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.

Your Management believes that the Company's liquidity and capital resources are sufficient to meet its expected working capital needs and other anticipated cash requirements. The position of liquidity and capital resources of the Company is given below: -

(Rs. in crores)

Particulars	2003-04	2002-03
Net cash provided/(used) by:		
Operating Activities	70.43	14.16
Investing Activities	(237.38)	(98.48)
Financial Activities	300.07	90.41
Net Cash Surplus	133.12	6.09
Cash & Cash equivalents:		
Beginning of the year	24.15	18.06
End of the year	157.27	24.15

The high bank balance as on the year end was due to the preferential issue of equity/preference shares and optionally fully convertible debentures.

### RISK MANAGEMENT

Your company is exposed to the risks which are inherent in any business such as political, economical, social, calamities, etc which are mitigated by taking appropriate steps. Besides the above general risks, your Company is exposed to the following risks:

#### Raw material prices

The major raw material of your Company comprises of cotton yarn, fabrics, partially oriented yarn ('POY') and dyes and chemicals. This being the major portion of the cost of production, your Company is exposed to adverse fluctuation in raw material prices. Your company's sales are largely order driven and are on cost plus basis and hence the margins are not significantly affected.



### **Change in fashion trends**

Your Company's apparel fabrics business caters to the garment exporters/domestic markets. Fashion, being perishable, especially in case of overseas markets, the Company has to ensure that production is adapted to the changing needs and deliveries are met on time.

Your Company has been consistently responding to the changes in demand and fashion pattern in the global and domestic market.

### **Large Capital Expenditure**

Your Company has undertaken large capital expenditure to capitalize on the opportunities post quota regime. Any delay in the implementation and cost overrun may put financial strain on the Company.

Your Company has successfully executed large sized projects in the past and has requisite experience in this regard. The project is closely monitored by the project implementation team, comprising of in-house technicians and reputed professional agencies. All the ongoing projects are as per schedule and your Company is confident of completing the same within the required time frame.

### **Foreign Exchange Fluctuation**

Your Company has certain foreign currency liabilities and its exports are increasing significantly. Thus, it is exposed to the fluctuation in foreign exchange.

Your Company has a policy of hedging its long term and short term foreign exchange risk. Your Company systematically hedges its exports earnings to mitigate the exchange risk. Your Company has no significant raw material imports and imports comprise mainly of capital goods and certain stores and spares.

### **Interest rate**

Your Company has a mix of fixed and floating borrowings, both in rupee terms and foreign currency. Your Company uses various measures like swapping high cost debt, derivative instruments, wherever possible, to minimise the interest cost and interest rate risk.

### **Competition**

With the opening of the textile market under the WTO arrangement, competition is expected to be intensified, both in the domestic market and in the export market. In Domestic market, your Company faces competition from both the organized and unorganized sectors.

Your Company had anticipated the changing textile scenario and has accordingly taken steps to gear itself to meet the challenges of quota free era. Your Company is a dominant player in all the segments in which it operates viz. home textiles, apparel fabrics and texturised yarn and the new capacities will further strengthen its position.

### **Internal Control systems and their adequacy**

Your Company has adequate internal control systems commensurate with its size of business operations. Your Company has appointed professional chartered accounting firms as internal auditors for all its locations for carrying out internal audit periodically. The adequacy of the internal control systems, financial reporting and the reports of the internal auditors are reviewed at each meeting of the Audit Committee of the Board, amongst other things.

### **Industry Outlook**

The end of the quota regime by December 2004 will perhaps witness the biggest shift in global wealth ever. The world textile trade, which was about USD 364.4 billion in 2002 (source: Compendium of International Textile Statistics 2004- Office of the Textile Commissioner ) is expected to increase to about USD 565 billion by 2010, assuming a moderate annual growth rate of 5%. A majority of the analyses of the impact of the phasing out of quotas conclude that China and India are expected to enjoy substantial market-share gains in the EU, USA and Canada. The studies also mention that proximity to these major markets, particularly in the fashion clothing sector being important, Mexico, the Caribbean, Eastern Europe and North Africa are likely to remain important exporters to these countries. The other important factors likely to affect the trade are the applicable tariff rates and preferences of the importing countries.(Source: WTO)

While China is expected to be the 'supplier of choice' in the quota-free era, many importers are also looking at alternate sources in order to minimize the risk of sourcing only from one country. India figures highly in this list of alternate sources as, after China, India has very large vertically integrated bases for a wide range of textiles and clothing at competitive prices. It has relatively low-cost labour, that is even lower than China's, strong design skills and abundant raw material supplies. India also possesses high workmanship standards and special strengths in home textiles, which has made it a dominant player in this segment in the US.



The Indian textile sector is thus at an exciting stage and likely to witness accelerated growth upon dismantling of the quotas. In particular, the exports of garments and made-ups (i.e. home textiles, bed and bath products) are expected to grow substantially in the next 5-6 years. India's share in the global textile trade, which is at about USD 13 billion (Source: Compendium of Textile statistics, Office of the Textile Commissioner) is expected to grow to about USD 50 billion by 2010 (as per the target set by the Government of India) and a market share of close to 9%. In addition, a large and growing domestic market totaling an estimated USD 26 billion in 2001 is expected to rise to more than USD 41 billion in 2005. (Source: report by U.S. International Trade Commission).

There are, however, quite a few challenges posed like, inadequate capacities, rigid labour laws, lack of infrastructure etc. The industry, therefore, needs to infuse capital in new and large plants, overall infrastructure needs to be drastically improved and labour policies need to become industry-friendly if this potential is to be realised.

Overall, the Industry Outlook continues to remain optimistic.

### **Company Strategy**

Realising the potential of Indian textiles post quota free regime, your Company has been expanding its capacities in the past few years and has carved its niche in home textiles and apparel fabrics with facilities at par with International Standards. Post January 2005, huge textile demand is expected to be released in favour of India and indications of which are already seen with the major US and European retail giants/manufacturers increasing their sourcing from India. In view of these factors and to become amongst the leading global textile vendors, your Company has undertaken further expansion of its home textiles, apparel fabrics and garment capacities at an estimated total outlay of about Rs.580 crores over the next two years.

Besides the above expansions, the medium term plans of your Company also includes adding Terry Towels to complement its home textile products and backward integration into spinning. Though the expansion is being planned keeping in view the overseas markets, your Company realises the growing opportunities at the domestic front and will keep a foothold presence in this segment.

The overall outlook of your Company's future is encouraging.

### **Cautionary Statement**

*Statements in this Management Discussion & Analysis describing the company's objectives, projections, estimates and expectations may be "Forward Looking Statements" within the meaning of applicable laws and regulations.*

*Actual results might differ substantially or materially from those expressed or implied.*





### Company's Philosophy on Code of Corporate Governance:

Alok's philosophy on corporate governance encompasses achieving the balance between shareholders' interest and corporate goals through the efficient conduct of its business and meeting its stakeholder obligations in a manner that is guided by transparency, accountability and integrity.

As discussed above, Alok's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, the government and lenders. Alok is committed to achieving the highest international standards of corporate governance. Alok believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

## A. BOARD OF DIRECTORS

### 1. Composition of the Board

The Board of Directors has a mix of Executive and Non-executive Directors. The Board comprises of four Whole-time Directors – the Executive Chairman, the Managing Director and two Executive Directors and six Independent Non-executive Directors. Accordingly, the composition of the Board is in conformity with the Listing Agreement.

The composition of the Board of Directors and other relevant details relating to Directors are given below:

Name of the Directors	Attendance of Directors		No. of other directorships and committee members/chairmanships		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships **	Committee Chairmanships **
Ashok B. Jiwrajka	4	Yes	9	4	2
Dilip B. Jiwrajka	6	Yes	8	6	–
Surendra B. Jiwrajka	5	Yes	8	4	–
Chandrakumar Bubna	3	Yes	2	–	–
Ashok G. Rajani	5	–	3	2	1
K. R. Modi	6	Yes	1	4	–
Naresh Saluja #	1	–	4	–	–
Ashok Kumar	2	Yes	1	–	–
M.C.Verma *	4	Yes	1	–	–
K.J.Punnathara	6	–	–	1	–
K.C.Jani	4	–	–	2	2
A.K.Bhan \$	5	–	2	1	–

# Ceased to be a Director with effect from 06th September 2003 on the withdrawal of nomination by IFCI Limited.

\* Ceased to be a Director with effect from 31st October 2003 on the withdrawal of nomination by UTI Asset Management Company Private Limited.

\$ Appointed as Nominee Director of IFCI Limited with effect from 06th September 2003.

\*\* In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, membership/chairmanship of only the Audit Committee, Shareholders'/Investors' Grievance Committee and the Remuneration Committee of all the Public Limited Companies has been considered.



Brief Resume of the Directors being re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and the membership of the committees of the Board are furnished hereunder:

<b>Name of Director</b>	<b>MR.ASHOK G. RAJANI</b>	<b>MR. K. R. MODI</b>
Date of Birth	18.06.1949	18.05.1942
Date of Appointment	27.05.1993	15.11.1994
Profession	Businessman	Advocate and Solicitor
Expertise in specific functional areas	He is on the Board of the Executive Committee of The Apparel Exports Promotion Council. He is also the Chairman of Midas Touch Apparels, leading garment exporters.	He is a Senior Partner of M/s.Kanga & Co., a leading firm of Advocates and Solicitors. He has been in practice for over 35 years and has vast experience in the legal field and particularly on matters relating to corporate laws and other allied acts.
Qualifications	B. Com	B. A., LL.B. Advocate.
List of outside Directorship held excluding Alternate Directorship and of Private Companies	Nil	Rolta India Limited.
Chairman/Member of the Committee of Board of Directors of the Company.	Member of the Audit Committee and Chairman of Share Transfer and Investors' Grievances Committee of the Company.	Member of the Audit Committee of the Company.
Chairman/Member of the Committee of the Board of Directors of other Companies in which he is a Director	Nil	Member of the (i) Audit Committee; (ii) Shareholders and Investors' Grievances Committee; and (iii) Remuneration Committee of Rolta India Limited.

## 2. Board Meetings and its procedures:

The meetings of the Board of Directors are generally held in Mumbai and scheduled well in advance. The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and financial results. The folder containing the agenda for the meeting with detailed review of all aspects of the Company business is circulated to all the Directors. The board folder contains notes on the performance of the Company to date, employee relations, statutory compliance certificates, review of legal matters, details of capital expenditure, etc. It also highlights important matters discussed at the sub-committee of Directors.

### (a) Information placed before the Board of Directors

The following information is regularly placed before the Board of Directors.

- Annual Budgets and updates thereon;
- Capital expenditure proposals and review of their information.
- Forecasts for forthcoming quarters and analysis of their variances with actuals;
- Quarterly, Half yearly and Annual Results for the Company;
- Information on recruitment and remuneration of senior officials just below the Board level;
- Material communications from Government Bodies
- New projects and joint ventures;
- Status of material nature of investments, subsidiaries, assets etc. which are not in the normal course of business;
- Fatal or serious accidents, dangerous occurrences, any material effluent, pollution problems;
- Labour Relations;
- Material transactions which are not in the ordinary course of business;
- Disclosures by the management of material transactions, if any, with potential for conflict of interest;
- Compliance with all regulatory and statutory requirements;
- Legal proceedings involving the Company;
- Other relevant information pertaining to the Company including information detailed in Clause 49 of the Listing Agreement.



## (b) Attendance

7 (Seven) Board Meetings were held during the year, as against the minimum requirement of 4 meetings. Details of attendance of the Directors at the Board Meetings held during the year are as follows:

Director	29th April, 03	31st July, 03	06th Sep, 03	30th Oct, 03	30th Jan, 04	6th March, 04	31st March, 04
Ashok B. Jiwrajka	Yes	–	–	Yes	Yes	Yes	–
Dilip B. Jiwrajka	Yes	Yes	Yes	–	Yes	Yes	Yes
Surendra B. Jiwrajka	Yes	Yes	Yes	–	Yes	Yes	–
Chandrakumar Bubna	Yes	–	Yes	–	Yes	–	–
Ashok G. Rajani	Yes	–	Yes	Yes	Yes	Yes	–
K. R. Modi	Yes	Yes	–	Yes	Yes	Yes	Yes
Naresh Saluja	Yes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
M. C. Verma	Yes	Yes	Yes	Yes	N.A.	N.A.	N.A.
K. J. Punnathara	Yes	Yes	Yes	Yes	–	Yes	Yes
Ashok Kumar	N.A.	Yes	–	Yes	–	–	–
K. C. Jani	N.A.	Yes	Yes	–	Yes	Yes	–
A. K. Bhan	N.A.	N.A.	Yes	Yes	Yes	Yes	Yes

The Company has held at least one meeting in every three months and the maximum time gap between any two meetings was not more than four months. None of the Directors of the Company was a member of more than ten committees nor was the Chairman of more than five Committees across all Companies in which he was a Director.

## B. BOARD COMMITTEES

The Company has four committees:

- the Audit Committee,
- the Share Transfer and Investors' Grievances Committee,
- the Remuneration Committee and
- the Executive Committee.

### 1. Audit Committee

The Board of the Company has constituted an Audit Committee, comprising four independent, Non-Executive Directors viz. Shri K. C. Jani, Chairman (having financial and accounting knowledge), Shri Ashok G. Rajani, Shri K. R. Modi and Shri A. K. Bhan. The constitution of the Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956.

The terms of the reference stipulated by the Board to the Audit Committee are, as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board, focussing primarily on (a) any changes in accounting policies and practices, (b) major accounting entries based on exercise of judgement by management, (c) qualifications in draft audit report, (d) significant adjustments arising out of audit, (e) the going concern assumption, (f) compliance with accounting standards, (g) compliance with stock exchange and legal requirements concerning financial statements, (h) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences, of the nature and scope of audit. Also post-audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, share holders (in case of non-payment of declared dividends) and creditors.

During the year, the Committee has met 5 times i.e. on 29th April, 2003, 31st July, 2003, 06th September, 2003, 30th October, 2003 and 30th January, 2004, as against the minimum requirement of 3 meetings. The head of finance function, head of internal audit and the representatives of the Statutory Auditors were invited to present at the Audit Committee Meetings.



### Attendance of each member at the Audit Committee meetings held during the year.

Name of Member of Audit Committee	Attendance Particulars
Naresh Saluja *	29th April, 2003
K. C. Jani ***	06th September, 2003, 30th January, 2004
Ashok G. Rajani	29th April, 2003, 31st July, 2003, 06th September, 2003, 30th October, 2003, 30th January, 2004.
K. R. Modi	29th April, 2003, 31st July, 2003, 30th October, 2003, 30th January, 2004
A. K. Bhan **	30th October, 2003, 30th January, 2004

\* Ceased to be a Director with effect from 06th September, 2003 on the withdrawal of nomination by IFCI Limited.

\*\* Appointed as Nominee Director of IFCI Limited and a member of the Audit Committee with effect from 06th September, 2003.

\*\*\* Appointed as a member and Chairman of the Audit Committee with effect from 06th September, 2003.

### 2. Share Transfer and Investors' Grievances Committee:

The Board of the Company has constituted a Share Transfer and Investors' Grievances Committee.

The Composition of Share Transfer and Investors' Grievances Committee is as under:

Mr. Ashok G. Rajani, Chairperson

Mr. Ashok B. Jiwrajka

Mr. Surendra B. Jiwrajka

Mr. Dilip B. Jiwrajka

The Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressing of shareholders' complaints like transfer of shares, non-receipt of balance sheet, non receipt of declared dividends, etc.

The Committee oversees the performance of the Registrar and Share Transfer Agents, and recommends measures for overall improvement in the quality of investor services.

The Board has designated Mr. K. H. Gopal, Vice President (Legal) & Company Secretary, as the Compliance Officer.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review, were 327 Outstanding Complaints as on 31st March 2004 were Nil.

### 3. Remuneration Committee:

Remuneration of the Executive Directors is decided by the Board of Directors after review by this Committee. The remuneration package is governed by industry pattern and as per the provision of the Companies Act. Details of the remuneration paid to the Directors for the FY 2003-04 are given herein below in this Report.

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives and is discussed by the Remuneration Committee comprising of Mr.K.C.Jani (Chairman), Mr.K.J.Punnathara and Mr.Dilip B. Jiwrajka.

The components of the total remuneration vary for different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled by him/her, individual performance etc.

The Company has not granted any stock option to its directors/employees.



Details of remuneration paid to all the Directors for the FY 2003-04 are as follows:

Name of Director	Relation-ship with other Directors	Business relationship with the Company	Loans & advances received from the Company	Remuneration paid during 2003-2004 (in Rs.)			
				Sitting fees	Salary & Perks	Commission	Total
Ashok B. Jiwrajka		–	–	–	28,86,615	90,000	29,76,615
Dilip B. Jiwrajka	Brothers	–	–	–	29,54,219	90,000	30,44,219
Surendra B. Jiwrajka		–	–	–	29,11,291	90,000	30,01,291
Chandrakumar Bubna	–	–	–	–	28,86,615	90,000	29,76,615
Ashok G. Rajani	–	–	–	25,000	–	–	25,000
K. R. Modi	–	–	–	30,000	–	–	30,000
Naresh Saluja	–	IFCI Nominee	–	5,000	–	–	5,000
Ashok Kumar	–	IDBI Nominee	–	10,000	–	–	10,000
M.C. Verma	–	Nominee of UTI Asset Management Co. Pvt. Ltd.	–	20,000	–	–	20,000
K. J. Punnathara	–	LIC Nominee	–	30,000	–	–	30,000
K. C. Jani	–	IDBI Nominee	–	20,000	–	–	20,000
A. K. Bhan	–	IFCI Nominee	–	25,000	–	–	25,000

None of the Directors received any Loans & Advances from the Company during the year.

#### 4. Executive Committee

The Board of Directors has delegated the authority to the Executive Committee comprising of three Executive Directors to supervise and monitor day-to-day affairs of the Company.

### C. SHAREHOLDERS

#### 1. Disclosure regarding appointment and re-appointment of Directors:

As per the provisions of the Companies Act and Articles of Association of the Company, one-third of two-third of the Directors retire by rotation, and if eligible, offer themselves for re-appointment at the Annual General Meeting. Accordingly, Mr. Ashok G. Rajani and Mr. K. R. Modi will retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

#### 2. Communication to Shareholders:

Details of the communication to the shareholders are given in the table below:

Recommendation	Compliance
Quarterly results Which news papers normally published in	Business Standard and Sakal
Any Website, where displayed	Yes
Whether it also displays official news releases and presentations mode to institutional investors/analyst	Yes
Whether MD&A is a part of annual report	Yes
Whether Shareholder information section forms part of the Annual Report	Yes

All material information about the Company is promptly sent through facsimile to Indian Stock Exchanges where the Company's shares are listed and released to wire services and the press for information of the public at large.



### Shareholders' Redressal

The Company's Registrar and Share Transfer Agent, M/s. Intime Spectrum Registry Limited is fully equipped to carry out transfer of shares and redress investor complaints.

The Board of Directors has delegated the authority to Shri K. H. Gopal– Vice President (Legal) & Company Secretary, as the Compliance Officer.

### 3. General Body Meetings

Details of the last three Annual General Meetings are given in the table below:

Year	Location	Date	Time
2000 – 2001	ORT Simeon Seminar Centre ORT India Building, 68, Worli Hill Road, Worli, Mumbai – 400 018	25.09.2001	11.00 a.m.
2001 – 2002	Same as above	27.09.2002	11.00 a.m.
2002 – 2003	Same as above	30.09.2003	11.00 a.m.

### 4. Postal Ballot

For the year ended 31st March 2004, there has been no ordinary or special resolution passed by the Company's shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

### 5. Disclosures

**i) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.**

Transactions with the related parties are disclosed in detail in Note No.3 of Part B of Schedule 21 "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.

**ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or other authority on any matter related to capital markets, during last three years**

None

The Company has complied with all mandatory requirements of Corporate Governance, as required by the Listing Agreement.

### 6. SEBI PREVENTION OF INSIDER TRADING

With SEBI imposing the responsibility on "Prohibition of Insider Trading" on Organisations, the Board has designed a Code of Conduct strictly in accordance with the Model Code of Conduct prescribed by SEBI. The Code, besides other relevant matters, prohibits an insider from dealing in the shares of the Company while in possession of the unpublished price sensitive information in relation to the Company. Mr.K. H. Gopal, Vice President (Legal) & Company Secretary has been appointed as the Compliance Officer for monitoring implementation of the Code across the Company. The Code of Conduct is applicable to all such employees who are expected to have access to unpolished price sensitive information relating to the Company as well as Directors.

During the time of declaration of results, dividend and other material events, the trading window is closed as per the Code.

Till date, there have no violations on this front.

### 7. Auditor's Certificate on Corporate Governance

As required by Clause 49 of the Listing Agreement, the Auditor's certificate is given as an annexure at the end of this section.



To

The Members  
Alok Industries Limited

We have examined the compliance of conditions of Corporate Governance by Alok Industries Limited, for the year ended 31st March 2004 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us we verify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that as per the records maintained by the Company, there were no investor grievances remaining unattained / pending for a period exceeding one month.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of  
**Gandhi & Parekh**  
Chartered Accountants

**Devang B. Parekh**  
Partner  
Membership No. 105789

Mumbai : 30th August 2004.

# AUDITOR'S REPORT



To

The Members,  
Alok Industries Limited,

- 1] We have audited the attached balance sheet of Alok Industries Limited, as at 31st March 2004, and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. 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.
- 2] We conducted our audit in accordance with the 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.
- 3] As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4] Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (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, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement 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 written representations received from the directors, as on 31st March 2004 and taken on record by the Board of Directors of the company and information & explanation given to us, we report that none of the directors is disqualified as on 31st March 2004 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 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2004;
    - (b) in the case of the profit and loss account, of the profit for the year ended on that date;and
    - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For and on behalf of  
**Gandhi & Parekh**  
Chartered Accountants

**Devang B. Parekh**  
Partner  
Membership No : 105789

Mumbai : 30th August, 2004





**Annexure referred to in paragraph 3 of our report of even date,**

- (i) (a) The company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the company, are physically verified by the management at reasonable intervals, in a phased verification Programme over a period of three years which, in our opinion is reasonable, looking to the size of the company and the nature of its business. As informed, no material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any substantial part of its Fixed Assets, which has affected the going concern status of the company.
- (ii) (a) As explained to us, inventories (except stocks lying with third parties and in transit, confirmation/ subsequent receipt have been obtained in respect of such inventory) have been physically verified during the year by the management at reasonable interval.
- (b) The Procedure explained to us, which are followed by the management for physical verification of inventories are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. Discrepancies noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of account.
- (iii) (a) According to the information & explanation given to us, the Company had taken loans from the parties covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs.9.36 Crores and the year-end balance of loans taken from the parties were Rs. 0.25 Crores. There are parties covered in the register maintained under Section 301 of the Companies Act, 1956 to which the company has granted loans. The maximum amount involved during the year was Rs. 4.90 Crores and the year-end balance of loans granted to such parties were Rs 4.27 Crores.
- (b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of such loan are not prime-facie prejudicial to the interest of the Company.
- (c) There are no stipulations for the payment of the principal and interest amount.
- (d) There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the registers maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. Further on the basis of our examination, and according to the information & explanation given to us we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedure.
- (v) (a) According to the information and explanations given to us by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. Since the company has not defaulted in repayments of deposits, compliance of Section 58AA or obtaining any order from the National Company Law Tribunal, does not arise.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the accounts and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the company's textile products to which the said rules are made applicable, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate.



- (ix) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Custom Duty, Excise-Duty, Cess and other material statutory dues applicable to it.
- (b) 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, 2004 for a period of more than six months from the date they became payable.
- (c) According to the information & explanation given to us, there are no dues in respect of sales tax, income-tax, customs tax, wealth-tax, excise duty and cess that have not been deposited on account of any disputes.
- (x) The company neither have accumulated losses at the end of the year, nor incurred cash losses during the current and the immediately preceding financial year.
- (xi) According to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a Chit Fund or a Nidhi / mutual benefit fund/ society. There fore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
- (xv) In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks or financial institutions are prima facie, not prejudicial to the interest of the company.
- (xvi) On the basis of the records examination by us, and relying on the information compiled by the company for co-relating the funds raised to the end use of term loans, we have to state that, the company has, prima-facie, applied the term loans for the purposes for which they were obtained.
- (xvii) According to the information & explanation given to us and on overall examination of the balance Sheet of the company and after placing reliance on the reasonable assumptions made by the Company for classification of Long Term & Short Term usages of the funds, we report that no funds raised on short-term basis have been utilized for long-term investment. No long-term funds have been used to finance short-term assets.
- (xviii) According to the information & explanation given to us, during the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) Securities have been created in respect of debentures issued, as detailed in Note No 1 to Schedule No. 3 to the Balance Sheet.
- (xx) The Company has not raised any money by public issue, during the year.
- (xxi) In our opinion and according to the information & explanation given to us, no fraud on or by the company has been noticed or reported during the year, that cause the financial statements to be materially misstated.

For and on behalf of  
**Gandhi & Parekh**  
Chartered Accountants

**Devang B. Parekh**  
Partner  
Membership No: 105789

Mumbai : 30th August, 2004



To the Board of Directors of  
**ALOK INDUSTRIES LIMITED**

We have audited the Balance Sheet of Alok Industries Limited as on 31st March, 2004, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date (the financial statements) attached hereto, which have been prepared in accordance with the Generally Accepted Accounting Principles in India and Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.

## **Respective Responsibilities of the Management and Auditors**

The Management of the Company is responsible for the preparation of these financial statements. The financial statements have also been audited by firms of Chartered Accountants appointed as Auditors under the statute (The Companies Act, 1956) who submit separately their report in accordance with the provisions of the Companies Act. It is our responsibility to form an independent opinion, based on our audit of the statements and to report our opinion to you as a concurrent special assignment.

## **Basis of Opinion**

We conducted our audit in accordance with the auditing standards issued by the Institute of Chartered Accountants of India. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the management in the preparation of the financial statements and whether the accounting policies are appropriate to the circumstances to the company consistently applied and adequately disclosed. We planned and performed audit so as to obtain all information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

The financial statements dealt with by this report are in agreement with books of account of the Company.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read with the accounting policies and notes thereon give a true and fair view:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004;
- (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Deloitte Haskins & Sells**  
Chartered Accountants

**P. R. Barpande**  
Partner  
Membership no. 15291

Mumbai : 30th August, 2004

# BALANCE SHEET AS AT MARCH 31, 2004



(Rs. in Crores)

PARTICULARS	SCHEDULE NO.	AS AT 31.03.2004	AS AT 31.03.2003
<b>I SOURCES OF FUNDS</b>			
<b>(1) Shareholder's Funds</b>			
(a) Capital	1	171.90	92.69
(b) Share Application Money		18.10	—
(c) Share Warrants (Refer note no. 5 of Part B of Schedule 21)		3.32	—
(d) Reserves and Surplus	2	<u>218.00</u>	<u>162.73</u>
		<b>411.32</b>	255.42
<b>(2) Loan Funds</b>			
Secured Loans	3	747.68	493.79
Unsecured Loans	4	<u>70.74</u>	<u>50.38</u>
		<b>818.42</b>	544.17
<b>(3) Deferred Tax Liability (net)</b> (Refer note no. 8 of Part B of Schedule 21)			
		<u>50.52</u>	<u>36.33</u>
<b>TOTAL</b>		<u><b>1,280.26</b></u>	<u><b>835.92</b></u>
<b>II APPLICATION OF FUNDS</b>			
<b>(1) Fixed Assets</b>			
(a) Gross Block	5	559.43	422.26
(b) Less : Depreciation		<u>111.31</u>	<u>73.20</u>
(c) Net Block		448.12	349.06
(d) Capital Work-in-Progress	6	120.76	29.13
(e) Incidental Expenditure during Construction (pending allocation/adjustments)	7	<u>10.65</u>	<u>2.20</u>
		<b>579.53</b>	380.39
<b>(2) Investments</b>	8	<b>4.07</b>	4.07
<b>(3) Current Assets, Loans and Advances</b>			
(a) Inventories	9	203.53	278.86
(b) Sundry Debtors	10	420.33	265.52
(c) Cash and Bank Balances	11	157.27	24.15
(d) Loans and Advances	12	<u>63.97</u>	<u>24.62</u>
		<b>845.10</b>	<u>593.15</u>
<b>Less : Current Liabilities and Provisions</b>			
(a) Current Liabilities	13	133.45	134.12
(b) Provisions	14	<u>14.99</u>	<u>8.72</u>
		<b>148.44</b>	<u>142.84</u>
<b>Net Current Assets</b>		<b>696.66</b>	450.31
<b>(4) Miscellaneous Expenditure</b> [To the extent not written off or adjusted]	15	—	<u>1.15</u>
<b>TOTAL</b>		<u><b>1,280.26</b></u>	<u><b>835.92</b></u>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS</b>	21		

As per our attached report of even date

**For Gandhi & Parekh**  
Chartered Accountants

**Devang B. Parekh**  
Partner

Mumbai : 30<sup>th</sup> August, 2004

For and on behalf of the Board

**Ashok B. Jiwrajka** - Executive Chairman

**Dilip B. Jiwrajka** - Managing Director

**Surendra B. Jiwrajka** - Executive Director

**K.H. Gopal** - Vice President (Legal) &  
Company Secretary

Mumbai : 30<sup>th</sup> August, 2004

# PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2004



(Rs. in Crores)

PARTICULARS	SCHEDULE	Year Ended 31.03.2004	Year Ended 31.03.2003
<b>INCOME</b>			
Sales (inclusive of excise duty)	16	1,114.63	784.29
Less : Excise duty		66.77	2.45
		<b>1,047.86</b>	781.84
Job Work Charges collected (Tax Deducted at Source Rs.0.28 Crore, Previous Year Rs.0.26 Crore)		20.99	13.57
		<b>1,068.85</b>	795.41
Other Income	17	4.89	0.18
(Decrease) /Increase in Stocks of Finished Goods and Process Stock	18	(21.70)	40.67
		<b>1,052.04</b>	836.26
<b>EXPENDITURE</b>			
Trading Purchases		244.44	69.62
Manufacturing and Other Expenses	19	610.35	630.35
Interest (net)	20	66.40	51.51
Depreciation		38.28	25.42
		<b>92.57</b>	59.36
<b>PROFIT BEFORE TAX</b>		<b>92.57</b>	59.36
Provision for Tax - Current tax		(7.30)	(4.50)
- Deferred Tax (including Rs.2.86 Crores in respect of earlier years)		(14.19)	(12.55)
		<b>71.08</b>	42.31
<b>PROFIT AFTER TAX</b>		<b>71.08</b>	42.31
Add : Balance brought forward from previous year		88.05	80.40
Add : Excess provision of tax in respect of earlier years		-	0.12
Less : Provision for deferred tax for earlier years		-	(21.14)
		<b>159.13</b>	101.69
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>			
<b>APPROPRIATIONS</b>			
Less : Dividend – earlier year (Refer note no.15 of Part B of Schedule 21)		2.86	-
Transfer to Capital Redemption Reserve		-	0.60
Transfer to General Reserve		9.00	6.00
Transfer to Debenture Redemption Reserve		13.00	-
Proposed Dividend			
- On Equity Shares		8.77	5.69
- On Preference Shares (Paid / Provided)		1.56	0.60
Corporate Dividend Tax thereon		1.32	0.75
		<b>122.62</b>	88.05
<b>BALANCE CARRIED TO BALANCE SHEET</b>			
<b>EARNINGS PER SHARE (Refer note no.9 of Part B of Schedule 21)</b>			
Basic		7.90	7.36
Diluted		7.81	7.36
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS</b>			
	21		

As per our attached report of even date

**For Gandhi & Parekh**  
Chartered Accountants

**Devang B. Parekh**  
Partner

Mumbai : 30<sup>th</sup> August, 2004

For and on behalf of the Board

**Ashok B. Jiwrajka** - Executive Chairman

**Dilip B. Jiwrajka** - Managing Director

**Surendra B. Jiwrajka** - Executive Director

**K.H. Gopal** - Vice President (Legal) & Company Secretary

Mumbai : 30<sup>th</sup> August, 2004

# CASH FLOW STATEMENT

## FOR THE YEAR ENDED MARCH 31, 2004



(Rs. in Crores)

PARTICULARS	2003-2004	2002-2003
<b>A] Cash Flow from Operating Activities</b>		
Net Profit Before Tax	92.57	59.36
<b>Adjustments for</b>		
Depreciation	38.28	25.42
Foreign Exchange (gain) / loss	(2.52)	1.76
Dividend Income	(0.15)	(0.10)
Interest (net)	66.40	51.51
Loss on sale of assets (net)	0.12	0.02
Profit on sale of investments	(0.01)	(0.03)
Share / Debenture Issue Expenses adjusted in Securities Premium account	(3.76)	-
Miscellaneous Expenditure written off	1.15	0.85
Operating Profit before working capital changes	<u>192.08</u>	<u>138.79</u>
<b>Adjustments for</b>		
Decrease / (Increase) in Inventories	75.33	(80.07)
(Increase) in Trade Receivables	(154.81)	(79.66)
(Increase) in Loans and Advances	(39.35)	(4.49)
Increase in Current Liabilities	2.35	44.12
Cash Generated from Operations	<u>75.60</u>	18.69
Income Taxes Paid	(5.17)	(4.53)
Net Cash Flow from Operating Activities	<u>70.43</u>	<u>14.16</u>
<b>B] Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(237.57)	(98.67)
Sale of Fixed Assets	0.03	0.14
Purchase of Investments	(5.00)	(0.94)
Sale of Investments	5.01	0.89
Dividends Received	0.15	0.10
Net Cash used in Investing Activities	<u>(237.38)</u>	<u>(98.48)</u>
<b>C] Cash Flow from Financing Activities</b>		
Proceeds from issue of Equity Share Capital	3.00	-
Proceeds from issue of Preference Share Capital	83.00	-
Redemption of Preference Share Capital	(4.33)	(0.60)
Proceeds from Equity Share Application Money	18.10	-
Proceeds from Warrants	3.32	-
Proceeds from Borrowings	276.78	146.51
Dividend Paid	(10.92)	(4.31)
Interest Paid (Net)	(68.88)	(51.19)
Net Cash used in Financing Activities	<u>300.07</u>	<u>90.41</u>
<b>Net Increase in Cash and Cash equivalents (A+B+C)</b>	<u>133.12</u>	<u>6.09</u>
Cash and Cash equivalents at the beginning of the year	24.15	18.06
at the end of the year	157.27	24.15
Net Increase in Cash and Cash equivalents	<u>133.12</u>	<u>6.09</u>

### NOTES TO CASH FLOW STATEMENT

- Components of Cash and Cash Equivalents include Cash and Bank Balances in Current and Deposits Accounts.
- Proceeds from borrowings reflect the increase in Secured and Unsecured Loans and is net of repayments.
- Interest income of deposits, overdue bill etc. is classified as cash flow from operating activities.
- Purchase of fixed assets are stated inclusive of movements of Capital Work in Progress and incidental expenditure during construction period (pending allocation/adjustment) between the commencement and end of the year and is considered as part of investing activity.
- The Cash Flow Statement has been prepared in accordance with the requirement of Accounting Standard AS-3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India and the listing agreement with Stock exchange.
- Previous years figures have been reclassified, wherever necessary to correspond to those of the current year.

As per our attached report of even date

**For Gandhi & Parekh**  
Chartered Accountants

**Devang B. Parekh**  
Partner

Mumbai : 30<sup>th</sup> August, 2004

For and on behalf of the Board

**Ashok B. Jiwrajka** - Executive Chairman  
**Dilip B. Jiwrajka** - Managing Director  
**Surendra B. Jiwrajka** - Executive Director  
**K.H. Gopal** - Vice President (Legal) & Company Secretary

Mumbai : 30<sup>th</sup> August, 2004

# SCHEDULES TO THE BALANCE SHEET



(Rs. in Crores)

PARTICULARS	AS AT 31.03.2004	AS AT 31.03.2003
<b>SCHEDULE '1'</b>		
<b>CAPITAL</b>		
<b>Authorised :</b>		
17,50,00,000 (Previous year 9,50,00,000) Equity Share of Rs.10/- each	175.00	95.00
12,50,00,000 (Previous year 2,50,00,000) Preference Shares of Rs.10/- each	<u>125.00</u>	<u>25.00</u>
	<u><b>300.00</b></u>	<u><b>120.00</b></u>
<b>Issued and Subscribed :</b>		
<b>Equity Share Capital</b>		
8,82,30,718 (Previous year 8,76,91,828) Equity Share of Rs.10/- each fully paid up.	88.23	87.69
<b>Preference Share Capital</b>		
Nil (Previous Year 40,00,000) 10.50% Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up.	-	4.00
10,00,000 12% Cumulative Redeemable Preference Shares of Rs.6.67 (Previous year Rs.10/-) each fully paid up (See Note No.5 below).	0.67	1.00
1,50,00,000 (Previous Year Nil) 10.50% Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up	15.00	-
6,80,00,000 (Previous Year Nil) 10.00% Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up	<u>68.00</u>	<u>-</u>
	<u><b>83.67</b></u>	<u><b>5.00</b></u>
<b>TOTAL</b>	<u><b>171.90</b></u>	<u><b>92.69</b></u>
<b>NOTES :</b> Out of the above		
1] 7,45,396 Equity Shares were allotted as Bonus by way of capitalization of General Reserves.		
2] 62,550 Equity Shares being forfeited shares were reissued during 2001.		
3] 5,38,890 Equity Shares were issued on 31 March, 2004 at a premium of Rs.45.67 per share.		
4] 40,00,000 10.50% Cumulative Redeemable Preference Shares were redeemed at par on 26 <sup>th</sup> May, 2003.		
5] 10,00,000 12% Cumulative Redeemable Preference Shares are redeemable at par in 3 equal annual installment, the first installment have already been paid on 23 <sup>rd</sup> August, 2003 and second and third installment falls due on 23 <sup>rd</sup> August, 2004 and 23 <sup>rd</sup> August, 2005.		
6] 1,50,00,000 10.50% Redeemable and Non-Convertible Preference Shares allotted on 13 <sup>th</sup> May, 2003 are redeemable at par at the end of 36 months from the date of allotment with put & call option after 18 months.		
7] 6,80,00,000 10.00% Cumulative Non-Convertible Redeemable Preference Shares (CNRPS) allotted on 31 <sup>st</sup> March, 2004 are redeemable by way of a bullet repayment at the end of 5 years from the date of subscription i.e. on 31 <sup>st</sup> March, 2009. The company, however, has the option to redeem all or any of CNRPS at any time between the third and fifth year from the date of subscription.		
<b>SCHEDULE '2'</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	0.03	0.03
<b>Capital Redemption Reserve</b>		
Balance as per last Balance Sheet	2.20	1.60
Add : Transferred from Profit and Loss Account	<u>-</u>	<u>0.60</u>
	<b>2.20</b>	<b>2.20</b>
<b>Securities premium account</b>		
Balance as per last Balance Sheet	44.34	38.71
Add : Received during the year (Refer note no.3 of Schedule 1)	2.46	5.63
Less : Share/Debtenture issue expenses	<u>3.76</u>	<u>-</u>
(Refer note no. 14 of Part B of Schedule 21)	<b>43.04</b>	<b>44.34</b>
<b>General Reserve</b>		
Balance as per last Balance Sheet	23.80	17.80
Add : Transferred from Profit and Loss Account	<u>9.00</u>	<u>6.00</u>
	<b>32.80</b>	<b>23.80</b>
<b>Debtenture Redemption Reserve</b>		
Balance as per last Balance Sheet	4.31	4.31
Add: Transferred from Profit and Loss Account	<u>13.00</u>	<u>-</u>
	<b>17.31</b>	<b>4.31</b>
<b>Surplus in Profit and Loss Account</b>	<u><b>122.62</b></u>	<u><b>88.05</b></u>
<b>TOTAL</b>	<u><b>218.00</b></u>	<u><b>162.73</b></u>

# SCHEDULES TO THE BALANCE SHEET



(Rs. in Crores)

PARTICULARS		AS AT 31.03.2004	AS AT 31.03.2003
<b>SCHEDULE '3'</b>			
<b>SECURED LOANS</b>			
<b>a. Debentures</b>	<b>Note No.</b>		
	<b>1</b>		
16.50% Redeemable Non Convertible Debentures		–	1.00
12.50% Redeemable Non Convertible Debentures		<b>20.00</b>	20.00
10.00% Redeemable Non Convertible Debentures		<b>20.00</b>	–
10.00% Optionally Fully Convertible Debentures		<b>29.00</b>	–
		<b>69.00</b>	21.00
<b>b. Term Loans</b>	<b>2</b>		
(1) From Financial Institutions			
- Rupee Term Loan		<b>139.18</b>	167.75
- Foreign Currency Loans		<b>30.73</b>	18.37
		<b>169.91</b>	186.12
(2) From Banks			
- Rupee Loans		<b>193.54</b>	69.76
		<b>363.45</b>	255.88
<b>c. From Banks on Cash Credit Accounts, Working Capital Demand Loans etc.</b>	<b>3</b>	<b>301.20</b>	203.29
(Includes Rs.125.75 Crores demand loan in foreign currency) (Previous year Rs.27.46 Crores)			
<b>d. Loans under Hire Purchase/ Lease Arrangements</b>	<b>4</b>	<b>14.03</b>	13.62
<b>TOTAL</b>		<b>747.68</b>	493.79

## 1. Debentures are secured by :

- a) Nil (previous year 3,00,000), 16.50% Secured Redeemable Non-Convertible Debentures of Rs.100/- each, which were redeemable at par in three equal installments at the end of 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> year from the date of allotments i.e. 26<sup>th</sup> September 1997 and 27<sup>th</sup> November 1997 were secured by (i) pari passu first charge created on all fixed assets of the company subject to exclusive charge created / to be created on specific fixed assets in favour of specified lenders. (ii) a charge created / to be created on all current assets of the company subject to a prior charge on such current assets created / to be created in favour of the company's working capital bankers and (iii) the personal guarantee of three promoters directors. The last installment of these debentures was paid and the said debentures were redeemed during the year.
- b) 20,00,000 12.50%, Secured Redeemable Non-Convertible Debentures of Rs.100/- each, which are redeemable at par in three equal installments at the end of 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> year from the date of allotment i.e. 25<sup>th</sup> October 2002, are secured by (i) pari passu charge created/to be created on all present and future assets of the company subject to exclusive charge created / to be created on specific fixed assets in favour of specified lenders. (ii) a charge created / to be created on current assets of the company subject to a prior charge on such current assets created / to be created in favour of the company's working capital bankers and (iii) the personal guarantee of three promoters directors.
- c) 20,00,000 (previous year Nil) 10%, Non-Convertible Debentures of Rs.100/- each, which are redeemable at par by bullet repayment at the end of the year (on maturity) from the date of disbursement (i.e. 13<sup>th</sup> August, 2003); are secured by (i) subservient charge on movables assets subject to existing charge created / to be created on such assets in favour of the terms of lenders and working capital bankers. (ii) personal guarantee of three promoter directors.
- d) 29,00,000 (previous year Nil) 10%, Optionally Fully Convertible Debentures of Rs.100/- each, which can be converted into Equity Shares at the option of the Debenture holder between 12<sup>th</sup> and 15<sup>th</sup> month from the date of first subscription (i.e. 23<sup>rd</sup> March, 2004) are secured by (i) pari passu first charge created on all fixed assets of the company subject to exclusive charge created / to be created on specific fixed assets in favour of specified lenders. (ii) a charge created / to be created on all current assets of the company subject to a prior charge on such current assets created / to be created in favour of the company's working capital bankers.





## 2. Term loans are secured as under :

- a) Term loans from financial institutions and from banks (Including foreign currency loans) to the extent of Rs. 158.56 Crores (Previous year Rs.186.12 Crores) and Rs. 40.19 Crores (Previous year Rs.20.00 Crores) respectively, are secured by (i) a pari passu first charge created/to be created on all present and future immovable assets of the company except assets exclusive charges created/to be created on specific fixed assets in favour of specified lenders. (ii) a charge created / to be created on all current assets of the company subject to a prior charge on such current assets created / to be created in favour of the company's working capital bankers. (iii) personal guarantee of three promoter directors.
  - b) Term loans from financial institutions and from banks to the extent of Rs. 11.36 Crores (Previous year Rs.Nil) and Rs.86.67 Crores (Previous year Rs.21.95 Crores) respectively are secured by (i) an exclusive charge created on specific assets by them respectively. (ii) personal guarantee of three promoter directors.
  - c) Term loan from the banks to the extent of Rs. 11.52 Crores (previous year Nil) are secured by (i) an exclusive charge created on specific assets financed by them (ii) a charge created/to be created on all the assets of the company present and future subject to a prior charge on such assets created / to be created in favour of the company's term lenders and working capital bankers and (iii) personal guarantee of three promoter directors.
  - d) Nil (previous year Rs.5.00 Crores) term loan from the banks were secured by (i) a second charge on all fixed assets of the company subject to exclusively charged to specified lenders for part financing the specific fixed assets (ii) the personal guarantee of the Managing Director.
  - e) Term loans from banks to the extent of Rs. 55.15 Crores (Previous year Rs.10.00 Crores) are secured by (i) subservient charge on all movable assets of the company present and future subject prior charge of specific movable assets in favour of the company's terms of lenders and working capital bankers. (ii) personal guarantee of three promoter directors of the company.
  - f) Term loans from banks to the extent of Rs. Nil (Previous year Rs. 12.81Crores) are secured by (i) a pari passu charge created on all the current assets of the company (ii) a pari passu charge created / to be created on all fixed assets of the company's term loan lenders (iii) personal guarantee of three promoter directors of the company.
3. Working Capital limits from banks are secured by (i) hypothecation of Company's inventories, book debts, etc. (ii) second charge created / to be created on the fixed assets of the Company, (iii) immovable properties and guarantees of associate concerns (iv) the personal guarantee of three promoter directors of the Company.
  4. Hire Purchase / Lease loans are secured by the respective assets, mainly Plant and Machinery and Equipments, purchased under the said loans.

(Rs. in Crores)

PARTICULARS		AS AT 31.03.2004	AS AT 31.03.2003
<b>SCHEDULE '4'</b>	<b>Note No.</b>		
<b>UNSECURED LOANS</b>			
Fixed Deposits		4.76	2.02
Short Term Loans and Advances			
a) From Banks	1	59.97	42.66
b) From Others		5.76	1.68
Loans and Advances			
- From Others		0.25	4.02
<b>TOTAL</b>		<b>70.74</b>	<b>50.38</b>

### Notes:-

- 1 Short Term Loans from Banks
  - a) to the extent of Rs.Nil (Previous Year Rs.10.00 Crores) is secured on specific properties of promoters, relatives and associate concerns, personal guarantee of promoter directors and corporate guarantee of group company.
  - b) to the extent of Rs. 2.58 Crores (Previous Year Rs.3.40 Crores) is secured on specific properties of promoters, relatives and associate concerns, personal guarantee of promoter directors.
  - c) to the extent of Rs. 5.00 Crores (Previous Year Rs.5.00 Crores) is secured on personal guarantee of promoter directors and pledge of shares of company held by promoters.
  - d) to the extent of Rs.5.00 Crores (Previous Year Rs.1.71 Crores) is secured on personal guarantee of three promoter directors.
  - e) Includes commercial paper of Rs.30.00 Crores (Previous Year Rs.10.00 Crores), maximum outstanding at any time during the year Rs.40.00 Crores (Previous Year Rs.20.00 Crores)



## SCHEDULE '5' FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS AT 01.04.2003	ADDITIONS	DEDUCTIONS	AS AT 31.03.2004	AS AT 01.04.2003	FOR THE YEAR	DEDUCTION ON SALE / TRANSFER	AS AT 31.03.2004	AS AT 31.03.2003
1.	Freehold Land	4.36	0.36	-	4.72	-	-	-	4.72	4.36
2.	Leasehold Land	0.56	-	-	0.56	0.06	0.01	0.07*	0.49	0.50
3.	Factory Building	79.63	47.72	-	127.35	4.82	3.23	8.05	119.30	74.81
4.	Office Premises	2.01	-	-	2.01	0.24	0.03	0.27	1.74	1.77
5.	Plant and Machinery	321.55	85.91	0.17	407.29	64.19	33.20	97.30	309.99	257.36
6.	Computer and Peripherals	3.98	1.14	0.01	5.11	1.82	0.89	2.71	2.40	2.16
7.	Office Equipments	0.87	0.16	-	1.03	0.22	0.07	0.29	0.74	0.65
8.	Furniture and Fittings	6.95	0.76	-	7.71	1.27	0.54	1.81	5.90	5.68
9.	Vehicles	2.19	0.96	0.13	3.02	0.53	0.25	0.70	2.32	1.66
10.	Tools and Equipment	0.16	0.47	-	0.63	0.05	0.06	0.11	0.52	0.11
	<b>TOTAL CURRENT YEAR</b>	422.26	137.48	0.31	559.43	73.20	38.28	111.31	448.12	349.06
	<b>TOTAL PREVIOUS YEAR</b>	249.54	173.08	0.36	422.26	47.74	25.66	73.20	349.06	-

### Notes:-

- Depreciation for the year includes Rs. Nil (Previous Year Rs. 0.24 crore), which has been transferred to Incidental Expenditure during Construction period.
- Addition to Plant and Machinery includes Rs. 0.12 Crore [Previous Year Rs. 1.67 Crores (net)] being increase in liability payable in foreign currency consequent upon changes in the exchange rates.
- Depreciation for the year includes Rs.Nil (Previous Year Rs.1.08 Crores) in respect of earlier years.
- Plant and Machinery and Computer and Peripherals include Rs. 2.06 Crores (Previous year Rs.1.66 Crores) and Rs.0.22 Crore respectively acquired on lease.
- Fixed Assets include Rs. 1.50 Crores (Previous Year Rs. 1.24 Crores) acquired on hire purchase basis on which the lenders have a lien.
- Office Premises being cost of ownership flats in Co-operative society against which company has received shares of the value of Rs. 1000 under the bye laws of the society.
- In respect of Freehold Land acquired during the year, the agreements of Rs.0.34 Crore are in process of registration.  
\* Amount written off in respect of Leasehold Land for the period of Lease which has expired.

# SCHEDULES TO THE BALANCE SHEET



(Rs. in Crores)

PARTICULARS	AS AT 31.03.2004	AS AT 31.03.2003
<b>SCHEDULE '6'</b>		
<b>CAPITAL WORK IN PROGRESS</b>		
Capital Expenditure on Projects [Including Assets acquired on Lease Rs.12.26 Crores (Previous Year Rs.12.60 Crores)]	113.04	24.85
Advance for Capital Expenditure	7.72	4.28
<b>TOTAL</b>	<b>120.76</b>	<b>29.13</b>
<b>SCHEDULE '7'</b>		
<b>INCIDENTAL EXPENDITURE DURING CONSTRUCTION</b> (Pending allocation / adjustments)		
Opening Balance	2.20	21.47
<b>Add : Expenditure Incurred During the year</b>		
Raw Material Consumption	2.97	4.29
Payment to and Provision for Employees	0.65	0.78
Stores and Spares Consumed	0.83	1.11
Power and Fuel	6.38	0.68
Miscellaneous Expenses	3.16	2.26
Fees, Rates and Taxes	0.20	0.28
Payment to Auditors	-	0.01
Interest	2.68	6.51
Depreciation	-	0.24
	<b>19.07</b>	<b>37.63</b>
Less : Stock of Finished Goods	-	(0.69)
: Stock of Work in Progress	-	(1.65)
: Sales (Trial Run Product Realisation) [Net of Excise Duty Rs.0.91 Crore (Previous Year Rs.0.21 Crore)]	<b>(3.52)</b>	<b>(2.74)</b>
: Interest Received [Tax Deducted at Source Rs.Nil (Previous Year Rs.0.02 Crore)]	-	(0.07)
	<b>15.55</b>	<b>32.48</b>
Less : Allocated to Fixed Assets on completion of projects. (Refer note no. 7 of Part B of Schedule 21)	<b>4.90</b>	<b>30.28</b>
<b>TOTAL</b>	<b>10.65</b>	<b>2.20</b>

# SCHEDULES TO THE BALANCE SHEET



(Rs. in Crores)

PARTICULARS	AS AT 31.03.2004	AS AT 31.03.2003
<b>SCHEDULE '8'</b>		
<b>INVESTMENTS</b>		
<b>LONG TERM INVESTMENTS</b>		
<b>Trade Investments [At Cost]</b>		
<b>In equity shares</b>		
<b>Quoted, fully paid</b>		
Grabal Alok Impex Limited 19,00,000 Equity Shares of Rs.10/- each	3.99	3.99
[Market Value as on March 31, 2004 Rs.4.28 Crores (as on March 31, 2003 Rs.2.34 Crores)]	<u>          </u>	<u>          </u>
Aggregate Cost	3.99	3.99
<b>Unquoted, fully paid</b>		
The Greater Bombay Co-operative Bank Limited 4,000 Equity Shares of Rs.25/- each (Rs.40,000)	-	-
The Saraswat Co-operative Bank Limited 1,000 Equity Shares of Rs.10/- each (Rs.10,000)	-	-
Dombivli Nagari Sahakari Bank Ltd. 10,000 Equity Shares of Rs.50/- each	0.05	0.05
The Kalyan Janata Sahakari Bank Ltd. 10,000 Equity Shares of Rs.25/- each	0.03	0.03
Aggregate Cost	0.08	0.08
<b>TOTAL</b>	<u>4.07</u>	<u>4.07</u>

Investment bought and sold during the year	No. of Units	Face Value Rs. in Crores	Purchase Cost Rs. in Crores
Mutual Funds Units			
Can bank short term plan open ended debt scheme	5,000,000	5.00	5.00

## SCHEDULE '9'

### INVENTORIES [At Cost or Net Realisable value whichever is lower]

Stores, Spares, Packing Materials and others	7.49	2.05
Stock-In-trade :		
Raw Materials	53.43	112.50
Process Stock	60.35	53.52
Finished Goods	82.26	110.79
	<u>196.04</u>	<u>276.81</u>
<b>TOTAL</b>	<u>203.53</u>	<u>278.86</u>

## SCHEDULE '10'

### SUNDRY DEBTORS (Unsecured)

(Refer note no. 13 of part B of Schedule 21)

Debt outstanding for a period exceeding six months	10.62	10.73
Other Debts	411.32	257.00
Gross	421.94	267.73
Less : Provision	1.61	2.21
<b>TOTAL</b>	<u>420.33</u>	<u>265.52</u>
Considered Good	420.33	265.52
Considered Doubtful	1.61	2.21
<b>TOTAL</b>	<u>421.94</u>	<u>267.73</u>

# SCHEDULES TO THE BALANCE SHEET



(Rs. in Crores)

PARTICULARS	AS AT 31.03.2004	AS AT 31.03.2003
<b>SCHEDULE '11'</b>		
<b>CASH AND BANK BALANCES</b>		
Cash on Hand	0.37	0.37
Balances with Scheduled Banks		
- In Current Accounts *	123.13	1.33
- In Deposits Accounts (including interest accrued thereon)	33.77	22.45
<b>TOTAL</b>	<b>157.27</b>	<b>24.15</b>
* Includes unutilized monies of Rs.72.64 Crores out of the proceeds from the issues of Preference Shares and Optionally Fully Convertible Debentures.		
<b>SCHEDULE '12'</b>		
<b>LOANS AND ADVANCES [Unsecured]</b>		
Advance recoverable in cash or kind or for value to be received	62.05	20.93
Deposits	1.82	1.42
Balances with Central Excise Collectorate	0.18	0.25
Share Application Money (including Rs.Nil, previous year 0.63 Crore subsequently refunded/allotted)	-	2.58
	64.05	25.18
Less : Provision	0.08	0.56
<b>TOTAL</b>	<b>63.97</b>	<b>24.62</b>
Considered Good	63.97	24.62
Considered Doubtful	0.08	0.56
<b>TOTAL</b>	<b>64.05</b>	<b>25.18</b>
<b>SCHEDULE '13'</b>		
<b>CURRENT LIABILITIES :</b>		
Sundry Creditors [including Acceptances Rs.34.75 Crores, (Previous year Rs.96.47 Crores)]		
- Small scale industrial undertakings	1.58	0.23
- Others	124.75	128.69
	126.33	128.92
Interest Accrued but not due on loans	-	2.48
Unclaimed Dividend *	0.45	0.46
Advance from customers	6.67	2.26
<b>TOTAL</b>	<b>133.45</b>	<b>134.12</b>
* These figures do not include any amounts due and outstanding to be credited to Investor Education and Protection Fund.		

# SCHEDULES TO THE BALANCE SHEET



(Rs. in Crores)

PARTICULARS	AS AT 31.03.2004	AS AT 31.03.2003
<b>SCHEDULE '14'</b>		
<b>PROVISIONS</b>		
Provision for Gratuity and Leave Encashment	1.17	0.62
Proposed Dividend	8.88	5.87
Provision for Tax on Dividend	1.32	0.75
Provision for Taxation (Net of advance tax payments)	3.62	1.48
<b>TOTAL</b>	<b>14.99</b>	<b>8.72</b>
<b>SCHEDULE '15'</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
<b>[To the extent not written off or adjusted]</b>		
(refer note no.14 of Part B of Schedule 21)		
Share Issue Expenses	-	0.20
Debenture Issue Expenses	-	0.63
Preliminary Expenses	-	0.32
<b>TOTAL</b>	<b>-</b>	<b>1.15</b>

# SCHEDULES TO THE PROFIT AND LOSS ACCOUNT



(Rs. in Crores)

PARTICULARS	Year ended 31.03.2004	Year ended 31.03.2003
<b>SCHEDULE '16'</b>		
<b>SALES</b>		
Sales – Local	1,003.15	757.67
Sales – Export	96.09	24.81
	<u>1,099.24</u>	<u>782.48</u>
Export Incentive	15.39	1.81
<b>TOTAL</b>	<u><u>1,114.63</u></u>	<u><u>784.29</u></u>
<b>SCHEDULE '17'</b>		
<b>OTHER INCOME</b>		
Dividend Income [Tax Deducted at Source Rs.Nil (Previous Year Rs.0.01Crore)]	0.15	0.10
Miscellaneous Income	0.23	–
Profit on sale of long term investments	0.01	0.03
Rent	0.01	0.05
Exchange Rate Difference (Net)	2.52	–
Provision for Doubtful Debts and Advances written back	1.97	–
<b>TOTAL</b>	<u><u>4.89</u></u>	<u><u>0.18</u></u>
<b>SCHEDULE '18'</b>		
<b>(DECREASE) / INCREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK</b>		
<b>CLOSING STOCK AS ON 31ST MARCH, 2004</b>		
Finished Goods	82.26	110.79
Process Stock	60.35	53.52
	<u>142.61</u>	<u>164.31</u>
<b>Less : Stock as on 31st January, 2003 (Vapi Process Unit) (Refer Schedule 7)</b>		
Finished Goods	–	0.69
Process Stock	–	1.65
	<u>–</u>	<u>2.34</u>
<b>LESS : OPENING STOCK AS ON 1ST APRIL, 2003</b>		
Finished Goods	110.79	61.36
Process Stock	53.52	59.94
	<u>164.31</u>	<u>121.30</u>
<b>TOTAL</b>	<u><u>(21.70)</u></u>	<u><u>40.67</u></u>

# SCHEDULES TO THE PROFIT AND LOSS ACCOUNT



(Rs. in Crores)

PARTICULARS	Year ended 31.03.2004	Year ended 31.03.2003
<b>SCHEDULE '19'</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
<b>Raw Material Consumed</b>	<b>453.23</b>	530.73
<b>Payment to and Provisions for Employees:</b>		
Salaries, Wages and Bonus	13.00	7.21
Contribution to Provident Fund and Other Funds	0.66	0.46
Employees Welfare Expenses	1.63	1.00
	<u>15.29</u>	<u>8.67</u>
<b>Operational and Other Expenses</b>		
Stores and Spares	11.96	6.72
Packing Materials	8.08	1.78
Power and Fuel	26.85	17.30
Processing Charges	7.70	8.08
Labour Charges	4.94	2.77
Excise Duty	6.48	2.91
Exchange Rate Difference (Net)	-	1.76
Donation	0.87	0.02
Rent	1.74	0.43
Rates and Taxes	12.90	2.85
Repairs and Maintenance		
Plant and Machinery	0.77	1.01
Factory Building	0.17	0.14
Others	0.32	0.45
	<u>1.26</u>	<u>1.60</u>
Commission on Sales	2.91	1.40
Provision for Doubtful Debts and Advances	0.89	2.19
Bad debts and other advances written off	2.85	-
Directors Remuneration	1.16	1.16
Directors Fees and Commission	0.05	0.04
Auditors Remuneration (including service tax)		
Audit Fees	0.08	0.07
Tax Audit Fees	0.01	0.01
Certification Fees	0.01	0.01
	<u>0.10</u>	<u>0.09</u>
Insurance	1.38	0.75
Preliminary and Share / Debenture Issue Expenses written off (Refer note no.14 of part B of Schedule 21)	1.15	0.85
Loss on Sale of Fixed Assets (net)	0.12	0.02
Miscellaneous Expenses (Miscellaneous Expenses includes Printing and Stationery, Bank Charges, Bill Discounting Charges of Rs.12.69 Crores {Previous Year Rs.17.67 Crores}, etc.)	48.44	38.23
<b>TOTAL</b>	<b><u>610.35</u></b>	<b><u>630.35</u></b>
<b>SCHEDULE '20'</b>		
<b>INTEREST (NET)</b>		
Interest Paid:		
On Debentures	3.94	1.54
On Fixed Loan	35.39	28.53
[Net of Interest Subsidy Rs. 7.51 Crores (Previous Year Rs.3.60 Crores) On Cash Credit Accounts etc.]	29.13	23.42
	<u>68.46</u>	<u>53.49</u>
Less : Interest Received on Loans, Deposits etc [Tax Deducted at Source Rs. 0.01 Crore (Previous Year Rs. 0.16 Crore)]	2.06	1.98
<b>TOTAL</b>	<b><u>66.40</u></b>	<b><u>51.51</u></b>





## Schedule '21'

### A) SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Financial Statements

The accompanying financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956.

#### 2. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles require estimates and assumption to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between, the actual results and estimates are recognised in the period in which the results are known / materialise.

#### 3. Revenue Recognition

- a) Revenue on sale of products is recognised when the products are despatched to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Sales are stated net of returns and sales tax collected.
- b) Revenue in respect of insurance/other claims, interest etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

#### 4. Contingent Liabilities

These are disclosed by way of notes to the Balance Sheet. Provision is made in the accounts in respect of those contingencies, which are likely to materialise after the year end, till the finalisation of accounts and have material effect on the position stated in the balance sheet.

#### 5. Fixed Assets

- a) Fixed Assets are stated at cost of acquisition or construction including incidental expenses. They are stated at historical cost.

- b) **Assets taken on lease:**

- (i) **Finance Lease:**

- Assets taken on lease after April 1, 2001 are accounted for as fixed assets in accordance with Accounting standard on "Lease" AS-19 issued by ICAI. Accordingly, the assets have been accounted at fair value. Lease payments are apportioned between finance charges and reduction of outstanding liability.

- (ii) **Operating Lease:**

- Assets taken on lease under which, all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with the respective lease agreements.

#### 6. Investments

Investments classified as Long Term Investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of investments.

Profit or Loss on sale of long term investments is arrived at after deducting the average carrying amount of the total holding of investments on the date of sale.

#### 7. Incidental Expenditure During Construction

The Company accounts for expenditure during construction period as per the "Guidance Note on treatment of Expenditure during Construction Period" issued by the Institute of Chartered Accountants of India. All indirect expenses are allocated to various fixed assets on reasonable basis.

#### 8. Depreciation

- a) Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- b) Cost of leasehold land is amortised over the period of lease.



## 9. Foreign Currency Transactions

### Initial Recognition:

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected.

### Exchange Rate Difference:

Exchange difference arising on repayment of liabilities incurred on acquisition of fixed assets is adjusted in the carrying amount of the respective fixed asset.

Monetary items other than those related to acquisition of fixed assets denominated in foreign currency are restated using the exchange rates prevailing at the date of the balance sheet and the resulting net exchange difference are recognised in the profit and loss account. Exchange difference arising on settlement of other transactions are recognised in the Profit and Loss account.

The values of fixed assets acquired through specific foreign currency loans are adjusted at the closing rates of exchange prevailing at the date of Balance Sheet or rate specified in the related forward contract.

### Forward Contract Transactions :

In case of forward contract difference between the forward rate and exchange rate at the date of transaction is recognised as income or expense over the life of the contract, in case of other than Fixed Assets.

## 10. Inventories

Items of Inventories are valued on the basis given below:

- a) Raw Materials, Packing Materials, Stores and Spares and Trading goods: at cost determined on First – In – First – Out (FIFO) basis or net realisable value, whichever is lower.
- b) Process stock and Finished Goods: At weighted average cost or net realisable values whichever is lower. Cost comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventory to their present location and condition.

## 11. Retirement Benefits

- a) Contribution payable to the Company's Provident Fund is charged to revenue. The Company has taken a group gratuity policy for future payment of gratuity with the Life Insurance Corporation (LIC) of India. Contribution paid/ payable by the company to the LIC is charged to revenue on the basis of actuarial valuation towards demand worked out by LIC.
- b) Liability for leave encashment benefit is determined in accordance with the rules of the Company and charged to revenue.

## 12. Accounting of CENVAT credit

Cenvat credit available is accounted by recording material purchases net of excise duty. Cenvat credit availed of is accounted on adjustment against excise duty payable on despatch of finished goods.

## 13. Miscellaneous Expenditure

The items of miscellaneous expenditure have been accounted till 31st March, 2003 as under,

- Public Issue Expenses have been written off from the date of allotment over a period of 10 years.
- Preliminary Expenses have been written off from the date of commencement of commercial production over a period of 10 years.
- Deferred revenue expenditure has been written off over the period of 5 years.
- Debenture issue expenses have been written off over the period of 5 years.  
(refer note no.14 of Part B of Schedule 21)

## 14. Government Grants

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFS), are accounted for when it is reasonably certain that ultimate collection will be made. Government grants not specifically related to fixed assets is recognised in the Profit and Loss Account in the year of accrual / receipt.

## 15. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.



## 16. Income taxes

Income taxes are accounted for in accordance with Accounting Standard on “Accounting for taxes on Income”, (AS-22) issued by ICAI. Tax expenses comprise both current tax and deferred tax. Current tax is measured at the amount expected to be paid / recovered from the tax authority using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at relevant enacted tax rates. At each balance sheet date, the Company reassesses unrealised deferred tax assets to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

## 17. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation.

## B) NOTES TO ACCOUNTS

### 1 Contingent Liabilities in respect of

(Rs. in Crores)

Sr. No.	Particulars	Current Year	Previous Year
A	Customs duty on shortfall in export obligation in accordance with Exim Policy (The company is hopeful of meeting the export obligation within the stipulated period)	Amount Unascertained	Amount Unascertained
B	Guarantees given by banks on behalf of the Company	6.46	3.22
C	Guarantees given to Financial Institutions for third parties	15.75	15.99
D	Bills discounted	25.15	2.12
2	<b>Capital Commitments</b> Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances).	32.98	14.66

### 3 Related Parties Disclosure

#### a) Names of related parties and nature of relationship

As per Accounting Standard AS - 18 “Related Party Disclosures” issued by the ICAI, Company’s related parties disclosed as below:

#### l) Names of related parties and description of relationship.

##### I Associates

Alok Denims (India) Pvt. Ltd.	Green Park Enterprises
Alok Finance Pvt. Ltd.	Honey comb Knit Fabrics
Alok I-Text Limited	Jiwrajka Associates Pvt. Ltd.
Alok Knit Exports Limited	Jiwrajka Investment Pvt. Ltd.
Alok Textile Traders	Niraj Realtors & Shares Pvt. Ltd.
Ashok B. Jiwrajka (HUF)	Nirvan Exports
Ashok Relators Pvt. Ltd.	Nirvan Holdings Pvt. Ltd.
Buds Clothing Co.	Pramatex Enterprises
D. Surendra & Co.	Pramita Creation Pvt. Ltd.
Dilip B. Jiwrajka (HUF)	Surendra B. Jiwrajka (HUF)
Globus E-Commerece Limited	Tulip Textiles
Grabal Alok Impex Ltd.	Vaibhav Knit Fab



## II Key Management Personnel

Ashok B. Jiwrajka  
 Chandrakumar Bubna  
 Dilip B. Jiwrajka  
 Surendra B. Jiwrajka  
 Alok A. Jiwrajka  
 Sunil O. Khandelwal  
 K. H. Gopal

### 2) Nature of transaction with Associates & Key Management Personnel.

(Rs. in Crores)

Transaction	Associates	Key Management Personnel	Total
a) Unsecured Loan			
Balance as at 1st April	4.75	–	4.75
	(2.17)	(–)	(2.17)
Received during year	36.95	–	36.95
	(54.86)	(–)	(54.86)
Repaid / Adjustment during the year	41.45	–	41.45
	(52.01)	(–)	(52.01)
Balance as at 31st March	0.25	–	0.25
	(4.75)	(–)	(4.75)
b) Loan and Advances			
Balance as at 1st April	1.23	–	1.23
	(1.13)	(–)	(1.13)
Granted during year	3.67	–	3.67
	(0.15)	(–)	(0.15)
Received / Adjustment during the year	0.63	–	0.63
	(0.05)	(–)	(0.05)
Balance as at 31st March	4.27	–	4.27
	(1.23)	(–)	(1.23)
c) Advance from Customers			
Balance as at 31st March	0.04	–	0.04
	(0.75)	(–)	(0.75)
d) Investment			
Balance as at 1st April	3.99	–	3.99
	(3.99)	(–)	(3.99)
Balance as at 31st March	3.99	–	3.99
	(3.99)	(–)	(3.99)
e) Sundry Debtors			
Balance as at 31st March	–	–	–
	(0.35)	(–)	(0.35)
f) Sundry Creditors			
Balance as at 31st March	0.69	–	0.69
	(0.03)	(–)	(0.03)
g) Turnover			
Sales of goods	6.65	–	6.65
	(11.97)	(–)	(11.97)
h) Expenditure			
Purchase of goods	0.43	–	0.43
	(3.14)	(–)	(3.14)
Rent	1.51	–	1.51
	(0.22)	(0.01)	(0.23)
Remuneration	–	0.30	0.30
	–	(0.20)	(0.20)
Interest	0.38	–	0.38
	(0.63)	(–)	(0.63)
i) Income			
Dividend	0.14	–	0.14
	(0.10)	(–)	(0.10)
Rent	–	–	–
	(0.05)	(–)	(0.05)



j) Guarantees (Financial Guarantees)			
Balance as at 31st March	15.75	-	15.75
	(15.99)	(-)	(15.99)
k) Share application money received	8.09	10.01	18.10
	(-)	(-)	(-)

Out of the above items transactions with associates and Key Management Personnel in the excess of 10 % of total related party transactions are as under:

			(Rs. in Crores)	
Transaction		Current Year Amount	Previous Year Amount	
a) Unsecured Loans				
Associates				
Received during the year				
Grabal Alok Impex Limited		36.50	54.59	
Repaid during the year				
Grabal Alok Impex Limited		40.00	52.01	
b) Loans and Advances				
Associates				
Granted during the year				
Honey Comb Knit Fabrics	0.93		-	
Pramita Creation Pvt. Ltd.	0.88		-	
Tulip Textiles	0.93		-	
Vaibhav Knit Fab	0.93		-	
Globus E-commerce	-		0.15	
		3.67	0.15	
Received during the year				
Alok Itex Ltd.	0.16		-	
Globus E-Commerce	0.47		-	
D. Surendra and Company	-		0.05	
		0.63	0.05	
c) Turnover				
Associates				
Grabal Alok Impex Limited	5.19		11.69	
Buds Clothing Company	1.30		0.28	
		6.49	11.97	
d) Expenditure				
Purchase of goods				
Associates				
Grabal Alok Impex Limited	0.43		0.49	
Alok Denim (I) Pvt. Ltd.	-		0.75	
Alok Knit Export Ltd.	-		0.50	
Pramita Creation Pvt. Ltd.	-		0.55	
Tulip Textile	-		0.34	
		0.43	2.63	
Remuneration				
Key Management Personnel				
Sunil O. Khandelwal	0.15		0.09	
K. H. Gopal	0.13		0.09	
Alok A. Jiwrajka	-		0.02	
		0.28	0.20	
Interest				
Associates				
Grabal Alok Impex Limited		0.38	0.63	



(Rs. in Crores)

Transaction	Current Year Amount	Previous Year Amount
Rent		
Associates		
Honey Comb Knit Fabrics	0.18	—
Pramita Creation Pvt. Ltd.	0.20	—
Tulip Textiles	0.18	—
Vaibhav Knit Fab	0.18	—
Alok Denim (I) Pvt. Ltd.	0.20	—
Alok Knit Exports Ltd.	0.20	—
Alok Textile Traders	—	0.04
Nirvan Exports	—	0.07
Pramatex Enterprises	—	0.04
Jiwrajka Associates Pvt. Ltd.	—	0.02
D. Surendra and Company	—	0.04
	<b>1.14</b>	0.21
e) Income-Dividend		
Associates		
Grabal Alok Impex Limited	0.14	0.10
Rent received		
Associates		
Honey Comb Knit Fabrics	—	0.01
Pramita Creation Pvt. Ltd.	—	0.01
Tulip Textiles	—	0.01
Vaibhav Knit Fab	—	0.01
Alok Denim (I) Pvt. Ltd.	—	0.01
Alok Knit Exports Ltd.	—	0.01
	—	0.06
f) Guarantees		
Associates		
Grabal Alok Impex Limited	10.50	10.50
Jiwrajka Associates Pvt. Ltd.	5.25	5.25
	<b>15.75</b>	15.75
g) Share application money received		
Associates		
Niraj Realtors and Shares Pvt. Ltd.	7.10	—
Pramita Creation Pvt. Ltd.	0.99	—
Key Management Personnel		
Ashok B. Jiwrajka	3.36	—
Dilip B. Jiwrajka	3.31	—
Surendra B. Jiwrajka	3.34	—
	<b>10.01</b>	—

Notes 1) Related party relationship is as identified by the company and relied upon by the Auditors.

2) Previous year figures are given in brackets.

3) Details of remuneration to directors are disclosed in Note No 4 below.

b) Details in accordance with clause 32 of the listing agreement with the stock exchanges.

Loans & Advance to associates, firms or companies in which directors are interested – Rs. Nil (excludes deposit for rented premises and share application money).



#### 4. Managerial Remuneration

Particulars	(Rs. in Crores)	
	31-03-2004	31-03-2003
Salaries	1.15	1.14
Perquisites	0.01	0.01
Directors Sitting Fees	0.01	0.01
Commission	0.04	0.04
<b>TOTAL</b>	<b>1.21</b>	<b>1.20</b>

#### Computation of net profit in accordance with Section 198 read with Section 309(5) of the Companies Act, 1956.

	31-03-2004	31-03-2003
Profit Before Tax as per Profit & Loss A/c	<b>92.57</b>	59.36
Add : 1) Directors Remuneration (including commission)	<b>1.20</b>	1.19
2) Sitting Fees	<b>0.01</b>	0.01
3) Loss on Sale of Fixed Assets	<b>0.12</b>	0.02
4) Provision for Doubtful Debts and Advances	<b>0.89</b>	2.19
<b>Net Profit under Section 349 of the Companies Act, 1956</b>	<b>94.79</b>	62.77
Less: 1) Profit on sale of long term investments	<b>0.01</b>	0.03
2) Provision for Doubtful Debts and Advances written back	<b>1.97</b>	-
	<b>92.81</b>	62.74
Eligible Salaries, Perquisites and Commission @10% of above	<b>9.28</b>	6.27
Actual Commission (As restricted by Board of Directors)	<b>0.04</b>	0.04

- 5 During the year, the Company in accordance with the resolution passed at the Extra Ordinary General Meeting of the Company held on March 29, 2004 issued 59,66,400 warrants convertible into equity shares to a foreign investor. The warrant holders have the option of subscribing for one equity share of the Company of Rs.10/- each per warrant at a price of Rs.55.67 being the price determined in accordance with the SEBI guidelines at anytime within 18 months from the date of allotment of the warrants.
- 6 The Company has acquired plant and machinery and computers on lease aggregating to Rs. 14.48 Crores. and vehicles aggregating to Rs.1.50 Crores (Previous year Rs.1.24 Crores) on hire purchase in nature of finance lease. The company capitalised the said assets at their fair value as the lease are in the nature of finance leases as defined in AS-19. Lease payments are apportioned between finance charge and deduction of outstanding liabilities. The details of lease rentals payable in future are as follows:

Due	Total minimum lease payments outstanding as on 31.03.2004		Future interest on outstandings		Present value of minimum lease payments	
	2003-04	2002-03	2003-04	2002-03	2003-04	2002-03
Within one year	<b>2.94</b>	1.57	<b>0.94</b>	0.81	<b>2.00</b>	0.76
Later than one year and not later than 5 years	<b>12.71</b>	12.77	<b>2.44</b>	3.11	<b>10.27</b>	9.66
Later than 5 years	<b>2.26</b>	4.34	<b>0.03</b>	0.22	<b>2.23</b>	4.12

- 7 The Company capitalised mainly Yarn Texturising units during the year and other capital projects viz Yarn Dyeing and Madeups units at Vapi, Gujarat. Yarn Texturising Unit (No.5) at Sayli, Dadra and Nagar Haveli, and Building etc. are under construction. Hence incidental expenses during construction period amounting to Rs.10.65 Crores related with these projects are carried forward and will be capitalised on completion of the project.



## 8 Deferred Taxation

a) Deferred Tax Assets and Liabilities arising on account of timing differences are as under:

	(Rs. in Crores)	
	31.03.2004	31.03.2003
<b>I) Deferred Tax Liability (DTL)</b>		
i) Depreciation	51.73	39.94
ii) Other items	–	0.91
	<b>51.73</b>	<b>40.85</b>
<b>II) Deferred Tax Asset (DTA)</b>		
i) MAT Credit under section 115JAA of the Income Tax Act, 1961	–	3.09
ii) Other items	1.21	1.43
	<b>1.21</b>	<b>4.52</b>
<b>(I-II) Total Deferred Tax Liabilities (Net)</b>	<b>50.52</b>	<b>36.33</b>

## 9 Earnings per share (EPS)

	(Rs. in Crores)	
	31.03.2004	31.03.2003
a. Net profit after tax	71.08	42.31
Excess Provision for Income tax in respect of earlier year	–	0.12
Less: Dividend on Preference Shares including Dividend tax	(1.76)	0.62
Net Profit Available for Equity Shareholders – (Basic)	69.32	41.81
Add: Interest on Convertible Debenture	0.05	–
Net profit available for Equity Shareholders – (Dilutive)	69.37	41.81
b. Weighted average number of Equity Shares Basic (Nos.)	87693304	56843930
Add: Potential Equity Shares (Nos.)	1142529	–
Weighted average number of Equity Shares Dilutive (Nos.)	88835833	56843930
c. Nominal value of equity shares per share ( In Rupees)	10	10
d. Basic Earnings per share (Rupees)	7.90	7.36
Diluted Earnings per share (Rupees)	7.81	7.36

10 Sundry creditors for the year ended 31<sup>st</sup> March, 2004 include amounts due to the following small scale industrial undertakings, which are outstanding for more than 30 days.

Apparel & Leather Technics Pvt. Ltd., Bil Plast, D. S. Topiwala Enterprise, India Agencies (Regd.), India Ind. Garment Machines Pvt. Ltd., Indokem Limited, Jai Speciality Starch, Morval Fabrics Pvt. Ltd., Nova Transfers Pvt. Ltd., Parekh Brothers, R. B. Electronics & Engg. Pvt. Ltd., Rite-Print-Pak, Shiv International Ltd., Unique Impex, Unicon Fibro Chemicals Pvt. Ltd., Sai Eshan Enterprises Pvt. Ltd.

The above information regarding Small-scale industries undertaking has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

11 The Company is engaged mainly in the business of manufacturing of Textiles consisting of Fabric and Yarn Texturising. Though in the earlier year the Company has given Disclosure on segment basis for Fabric Texturised Yarn and others, the Company believes that the same are part of the textile business carried out by the Company and considering the nature of financial reporting the Company has only one reportable segment. Consequently the previous year's figures have not been disclosed.





- 12 In the opinion of the Board, carrying value of all Current Assets, Loans and Advances and other receivables is not less than their realisable value in the ordinary course of business.
- 13 Sundry Debtors (Refer Schedule 10) includes Rs.31,305/- (Previous Year Rs.6,666/-) [Maximum amount outstanding during the year Rs.31,735/- (Previous Year Rs.16,373/-)] due from the officers of the Company.
- 14 Hitherto, the company amortised public issue expenses & preliminary expenses over a period of 10 years and debenture issue expenses over a period of 5 years in accordance with accounting policy followed by the company in this respect. During the year in accordance with Accounting Standard AS-26 "Intangible Assets" issued by the Institute of Chartered Accountants of India, the company has written off entire balance in public issue expenses, preliminary expenses and debenture issue expenses amounting to Rs.1.16 Crores to the profit & loss account. Consequently, profit for the year is lower by Rs.0.85 Crores. During the year, the Company incurred Rs.3.76 Crores towards share and Debenture issue expense which have been adjusted to securities premium account as permissible under section 78 of The Companies Act 1956.
- 15 Dividend – earlier year of Rs.2.86 Crores (including dividend tax thereon) represent the difference between the amount provided considering the legal opinion obtained by the company and the amount finally paid on the shares allotted on December 4, 2002 as an outcome of the conversion of the fully convertible debentures.
- 16 Share application money of Rs.18.10 Crores represents the application money received from promoters of the company pending preferential allotment.

## 17 Additional Information required under Schedule VI, Part II of the Companies Act, 1956.

## i) Details of Products Manufactured, Turnover, Opening Stock, Closing Stock etc.

Particulars	Unit	Year ended 31st March	Installed Capacity per annum	Opening Stock		Production @ Quantity	Purchase		Turnover		Closing Stock	
				Quantity	Amount (Rs. In Crores)		Quantity	Amount (Rs. In Crores)	Quantity #	Amount (Rs. In Crores)	Quantity	Amount (Rs. In Crores)
Woven Fabric Manufactured	Lacs	2004	276 Looms and 5 Stenters*	125.26	78.74	628.73			627.23	464.93	126.76	70.25
				83.53	39.76		796.53	581.86	125.26	78.74		
Knitted Fabric	Mtrs	2003	262 Looms and 5 Stenters*	111.78	1.97	4,561.12			4,544.56	67.60	128.34	1.96
				66.73	1.35		3,459.71	60.15	111.78	1.98		
Yarn	M.T.	2004	12048 Spindles	94.80	1.08	26,797.65			26,360.54	237.84	531.91	1.97
				9.90	0.08		7,942.03	76.29	94.80	6.06		
Garments	Pcs	2004	109 Spindles	60,857	0.78	351,399			355,932	5.19	56,324	1.08
				88 Machines	0.48		175,996	2.71	60,857	0.45		
Made-ups	Sets	2004	66 Machines	-	-	461,648			424,469	47.86	37,179	0.78
				-	-		-	-	2.96	-		
	Pcs.	2004	-	-	-	113,011			103,015	3.31	9,996	-
				-	-		-	-	0.21	-		
	Pairs	2004	-	-	-	113,027			107,507	1.60	5,520	-
				-	-		-	-	0.35	-		
Woven Fabric for Trade	Lacs Mtrs	2004	-	-	28.22	-	387.53	238.68	450.54	280.48	-	-
				-	-		-	-	-	-		
Others for Trade		2003	-	-	19.69	-	161.34	69.62	136.81	63.28	63.00	28.22
				-	-		-	-	-	-		
Total		2004	-	-	110.79	-	244.43	5.75	-	5.82	-	-
				2003	-		-	-	-	-	-	-
		2004			61.36		69.62	1,114.63	784.29	82.26	110.79	

\* Includes 60 Nos. Double width Looms

# Adjusting inter division consumption, excesses, shortages, etc.

@ Production includes items produced on job work basis by outside parties.





Production excludes	Unit	31 <sup>st</sup> March, 2004	31 <sup>st</sup> March, 2003
<b>1. Job work for Outsiders</b>			
a) Knitted Fabric	M.T.	225.11	342.57
b) Processing for Woven Fabric	Lacs Mtrs	102.48	86.50
c) Processing for knitted Fabric	M.T.	511.62	223.13
<b>2. Production consumed internally</b>			
a) Woven Fabric for Made-ups	Lacs Mtrs	29.48	–
b) Knitted Fabric for Garments	M.T.	95.69	74.64
c) Yarn for Knitted Fabric	M.T.	1,669.28	777.37
d) Processing for Woven Fabric	Lacs Mtrs	–	71.65
e) Processing for knitted Fabric	M.T.	–	706.31

PARTICULARS	31.03.2004			31.03.2003	
	Units	Quantity	Value (Rs. in crores)	Quantity	Value (Rs. in crores)
<b>(ii) Raw Material consumed</b>					
1) Manufacture of woven fabrics					
- Yarn	Kgs	<b>3,474,549</b>	<b>57.96</b>	3,240,830	42.66
- Fabric	Mtrs	<b>42,328,719</b>	<b>186.01</b>	68,110,989	385.36
2) Manufacture of knitted fabrics					
- Yarn	Kgs	<b>2,859,105</b>	<b>35.44</b>	3,030,070	30.30
- Fabric	Kgs	<b>318,159</b>	<b>5.33</b>	220,970	4.16
3) Manufacture of Yarn					
- Yarn	Kgs	<b>27,008,052</b>	<b>152.34</b>	9,214,777	60.33
4) Processing					
- Dyes & Chemicals	–	–	<b>15.61</b>	–	7.49
5) Manufacture of Garments					
- Woven Fabrics	Mtrs	–	–	419	0.01
- Knitted Fabrics	Kgs	<b>7,536</b>	<b>0.54</b>	19,030	0.42
			<b>453.23</b>		530.73

**(iii) CIF Value of Imports**

	(Rs. in Crores)	
	2003-2004	2002-2003
- Capital Goods purchased	<b>70.80</b>	18.22
- Stores & Spares purchased	<b>2.33</b>	0.53
- Raw material purchased	<b>0.07</b>	–
	<b>73.20</b>	18.75

**(iv) Expenditure in Foreign Currency**

	(Rs. in Crores)	
	2003-2004	2002-2003
- Foreign Travel / Business Promotion	<b>0.73</b>	0.44
- Technical Consultancy / Upfront Fees	<b>5.67</b>	0.36
- Interest on Foreign currency term loans	<b>0.60</b>	1.55
	<b>7.00</b>	2.35



**(v) Value of raw materials, stores and spares consumed during the year.**

	2003-2004				2002-2003			
	Imported		Indigenous		Imported		Indigenous	
	Value (Rs. in crores)	% of Total Consumption	Value (Rs. in crores)	% of Total Consumption	Value (Rs. in crores)	% of Total Consumption	Value (Rs. in crores)	% of Total Consumption
Raw Materials	0.07	0.02%	453.16	99.98%	–	–	530.73	100.00%
Stores and Spares	2.33	19.48%	9.63	80.52%	0.53	7.89%	6.19	92.11%

**(vi) Earning in Foreign Currency**

	(Rs. in Crores)	
	2003-2004	2002-2003
- FOB Value of Exports	<b>95.04</b>	23.99

**(vii) Dividend Remitted in Foreign Exchange**

Year of Dividend	2002-2003	2001-2002
<u>Equity</u>		
No. of shareholders	–	1
No. of shares held by them	–	492700
Dividend remitted during the year (Rs. in crore)	–	0.05



## 18 Balance Sheet Abstract and Company's General Business Profile Information required to be given in pursuance of part IV of Schedule VI of the Company's Act, 1956

### I Registration Details

Registration No.	39194	State Code	11
Balance Sheet Date		31	3 2004
		Day	Month Year

(Amount in Rs.Thousands)

### II Capital raised during the year

Public issue	NIL
Bonus issue	NIL
Right issue - Equity on conversion of Fully Convertible Debentures	NIL
Private Placement	835,389

### III Position of mobilisation and deployment of funds

Total Liabilities	14,287,062
Total Assets	14,287,062

#### Sources of Funds

Paid up Capital	1,718,974
Share Application Money	181,029
Share Warrants	33,215
Reserves & Surplus	2,180,027
Secured Loan	7,476,863
Unsecured Loan	707,401
Deferred tax liability	505,184

#### Application of Funds

Net Fixed Assets	5,795,340
Net Current Assets	6,966,653
Investments	40,700

### IV Performance of the Company

Turnover	10,688,437
Total Expenditure	9,594,656
Profit before Tax	925,697
Profit after Tax	710,792
Earning Per Share (Refer Note 9 of Part B of Schedule 21)	
- Basic	7.90
- Diluted	7.81
Dividend Rate	10%

### V Generic names of Principal Products/Services of the Company

(as per monetary terms)

Item Code No.(ITC Code)	5208
Product description	Woven Fabrics of cotton, containing 85% or more by weight of cotton weighing not more than 200 g/M2
Item Code No.(ITC Code)	5406
Product description	Man made filament yarn (other than sewing thread) put up for retail sale.
Item Code No.(ITC Code)	6001
Product description	Pile fabric, including 'long pile' fabrics and terry fabrics, knitted or crocheted.
Item Code No.(ITC Code)	6002
Product description	Other knitted or crocheted fabric.

19 The amounts in Balance Sheet and Profit and Loss account are rounded off to the nearest lakh and denominated in Crores of rupees.

20 The figures of the previous year have been reclassified / regrouped wherever necessary to correspond with those of the current year.

As per our attached report of even date

**For Gandhi & Parekh**  
Chartered Accountants

**Devang B. Parekh**  
Partner

Mumbai : 30<sup>th</sup> August, 2004

For and on behalf of the Board

**Ashok B. Jiwrajka** - Executive Chairman

**Dilip B. Jiwrajka** - Managing Director

**Surendra B. Jiwrajka** - Executive Director

**K.H. Gopal** - Vice President (Legal) & Company Secretary

Mumbai : 30<sup>th</sup> August, 2004



## Annual General Meeting

### Day, Date, Time and Venue of the 18<sup>th</sup> Annual General Meeting.

Thursday, the 30<sup>th</sup> September 2004 at 11.00 a.m.  
TEXTILES COMMITTEE AUDITORIUM  
P. Balu Road, Prabhadevi Chowk,  
Prabhadevi, Mumbai-400 025.

## Book Closure Date

The book closure period will be from Tuesday, the 21<sup>st</sup> September 2004 to Thursday, the 30<sup>th</sup> September 2004 (both days inclusive) for payment of dividend.

## Financial Calendar: 1<sup>st</sup> April 2003 to 31<sup>st</sup> March 2004

For the year ended 31<sup>st</sup> March 2004, the results were declared on

First Quarter	:	31 <sup>st</sup> July, 2003
Second Quarter	:	30 <sup>th</sup> October, 2003
Third Quarter	:	30 <sup>th</sup> January, 2004
Fourth Quarter	:	29 <sup>th</sup> April, 2004

## Financial Calendar: 1<sup>st</sup> April 2004 to 31<sup>st</sup> March 2005

For the year ended 31<sup>st</sup> March 2005, the results will be declared on (the dates are subject to change)

First Quarter	:	Last Week of July, 2004
Second Quarter	:	Last Week of October, 2004
Third Quarter	:	Last Week of January, 2005
Fourth Quarter	:	Last Week of April, 2005

## Dividend

A dividend of Rs.1 per share was recommended on 30.08.2004 at the meeting of the Board of Directors of the Company and, subject to the approval of the shareholders at the AGM, will be paid on or before 30.10.2004.

## Listing

### (a) Listing of Equity Shares on Stock Exchanges at:

In the Annual General Meeting held on 30<sup>th</sup> September 2003, the members had passed special resolutions for delisting the equity shares of the Company from Ahmedabad, Chennai and Delhi Stock Exchanges. The Company had subsequently applied for delisting of securities from the above stock exchanges and all the stock exchanges have issued written confirmations of delisting.

The Company's shares are now listed on the following Stock Exchanges:

#### The Stock Exchange, Mumbai (BSE)

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

#### National Stock Exchange of India Limited (NSE)

"Exchange Plaza"  
Bandra-Kurla Complex, Bandra (East),  
Mumbai – 400 051.

The Annual Listing fees for the year 2004 – 2005 (as applicable) has been paid to both BSE and NSE where the securities are listed and there has been no default in payment of listing fees.

## Stock Codes (Equity Shares)

### Name of the Stock Exchanges

### Stock Code

BSE	521070
NSE	ALOKTEXTEQ

The ISIN numbers (or demat numbers) of the Company for Equity Shares on both the National Securities Depository Limited and Central Depository Services (India) Limited is INE270A01011



**(b) Listing of 10.00 % Cumulative Non-Convertible Redeemable Preference Shares allotted to TAD (Mauritius) Ltd. on preferential basis on 31<sup>st</sup> March 2004 at:**

The Stock Exchange, Mumbai  
Scrip Code: 700093  
ISIN No. : INE270A04023  
National Stock Exchange of India Limited  
Scrip Code: ALOKTEXTP1  
ISIN No. : INE270A04023

**(c) Listing of Debts securities at:**

**(i) 12.50% Secured Redeemable Convertible Debentures allotted to UTI Bank Limited on private placement basis on 25<sup>th</sup> October 2002 at:**

The Wholesale Debt Market Segment of BSE  
Scrip Code: 934516  
ISIN No. : INE270A07067

**(ii) 10.00% Optionally Fully Convertible Debentures allotted to Life Insurance Corporation of India on preferential allotment basis on 31<sup>st</sup> March 2004 at:**

The Wholesale Debt Market Segment of NSE  
Scrip Code: ALOKTEXTD2  
ISIN No. : INE270A07083

**(iii) Debenture Trustees for (i) and (ii) above:**

**UTI Bank Limited**  
Maker Tower "F", 13<sup>th</sup> Floor,  
Cuffe Parade, Colaba,  
Mumbai – 400 005

**(d) Listing of 2.50% - 1155 Unsecured Foreign Currency Convertible Bonds (FCCBs) of the face value of USD 25,000 each aggregating to USD 28.875 million :**

Luxembourg Stock Exchange.  
Code No.XS0194694336

The equity shares upon conversion of FCCBs will be listed at BSE and NSE. As on date of this Report. out of the total 1155 FCCBs, 700 FCCBs aggregating to US \$ 17.500 million have been converted into 1,67,61,262 equity shares in accordance with the terms of Offering Circular dated 07.07.2004. Thus, the number of outstanding FCCBs yet to be converted and the corresponding amount subscribed stands at 455 and US \$ 11.375 million respectively.

**Stock Data**

The closing rates of the Company at BSE and the NSE as on 31<sup>st</sup> March 2004 are Rs.51.35 and Rs.51.15 respectively.

**(High/Low and Volume of shares traded in BSE and NSE)**

**(01.04.2003 to 31.03.2004)**

Month	BSE (In Rs. per share)			NSE (In Rs. per share)		
	High	Low	Volume	High	Low	Volume
April, 2003	11.90	9.75	747191	11.90	9.85	1711303
May, 2003	17.30	11.20	9968665	17.35	11.25	20020695
June, 2003	20.00	15.30	9855476	19.90	15.30	21244577
July, 2003	33.00	19.65	23416047	32.40	19.60	44575296
August, 2003	32.35	25.60	11493295	32.50	25.05	18289841
September, 2003	33.25	23.10	14394952	33.90	23.00	25935762
October, 2003	39.65	27.30	25430196	39.65	27.25	37547468
November, 2003	54.80	35.10	12540622	54.70	35.05	21481869
December, 2003	61.85	51.50	8341288	62.00	51.70	14855443
January, 2004	66.40	53.30	5029732	66.20	53.20	10509426
February, 2004	62.00	51.25	2016359	62.40	51.15	3843147
March, 2004	53.00	40.00	1906093	53.45	40.00	3523234
			<b>125139916</b>			<b>223538061</b>



## Distribution of Shareholding

Following are the distribution pattern of shareholdings by size and by categories of the Company as on 31<sup>st</sup> March 2004

Distribution of shareholding by size as at 31<sup>st</sup> March 2004

No of Equity shares held	No. of Shareholders	% of shareholders	No. of Shares	% of shareholding
1 to 5000	13669	81.06	2693771	3.05
5001 to 10000	1608	9.54	1359123	1.54
10001 to 20000	708	4.20	1135277	1.29
20001 to 30000	257	1.52	675286	0.77
30001 to 40000	111	0.66	401946	0.46
40001 to 50000	112	0.66	541935	0.61
50001 to 100000	155	0.92	1251658	1.42
100001 & Above	243	1.44	80171722	90.86
<b>Total</b>	<b>16863</b>	<b>100.00</b>	<b>88230718</b>	<b>100.00</b>

## Shareholding Patten as on 31<sup>st</sup> March 2004

Category of Shareholders	No. of shares held	% of shares holding
Directors/Promoters	31719703	35.95
FIs/MFs/Banks	18193552	20.62
FIIIs/NRIs/OCBs	24714272	28.01
Public	13603191	15.42
<b>Total</b>	<b>88230718</b>	<b>100.00</b>

## Shares held in physical and dematerialised form

As on 31<sup>st</sup> March 2004, 91.31% of Alok's shares were held in dematerialized form and the rest in physical form. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities and Exchange Board of India

## Equity History

Year	No. of shares	Face Value (In Rs.)	Cumulative share capital (In Rs.)	Particulars
1986	400	10/- each	4000	Issued to Promoters
1988	215000	10/- each	2154000	Issued to Promoters
1989	32100	10/- each	2475000	Issued to Promoters
1992	237200	10/- each	4847000	Issued to Promoters
1992	247500	10/- each	7322000	Bonus
1993	497896	10/- each	12300960	Bonus
1993	265000	10/- each	14950960	Issued to Promoters
1993	2250000	10/- each	37450960	Public Issue
1997	7490192	10/- each	112352880	Rights Issue (2:1)
1997	1240000	10/- each	124752880	Private Placement with FII
1998	2250000	10/- each	147252880	Preferential Issue to promoters
1998	9142700	10/- each	238679880	Private Placement of equity shares with FDI
2000	2590000	10/- each	264579880	Conversion of Optionally Fully Convertible Debentures issued to FI into equity shares
2000	1892500	10/- each	283504880	Conversion of Preference Shares issued to FIs
2002	13940200	10/- each	422906880	Conversion of Privately Placed Secured Fully Convertible Debentures issued to FIs/Banks into equity shares
2002	45401140	10/- each	876918280	Conversion of 14% Fully Convertible Debentures in to equity shares on Rights basis.
2004	538890	10/- each	882307180	Preferential Allotment to Khandelwal Polyester Private Ltd.





### Share Transfer System

The share transfers, which are received in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company has, as per SEBI guidelines with effect from 21<sup>st</sup> March 2000, offered the facility of transfer cum demat.

Shares held in the dematerialised form are electronically traded in the Depository. The Registrar and Share Transfer Agents of the Company periodically received from the Depository the beneficiary holdings so as to enable them to update their records and to send all corporate communications, dividend warrants, etc.

### Registrar and Share Transfer Agent

Share transfer and communication regarding share certificate, dividends and change of address etc may be addressed to:

#### Intime Spectrum Registry Limited

C-13, Pannalal Silk Mills Compound,  
L B S Marg, Bhandup (West),  
Mumbai-400 078.  
Tel:- (022) 55555454, Fax:- (022) 25672693

### Investor Correspondence

Any investor correspondence, regarding transfer/dematerialization of shares, interest /dividend and redemption of debentures and any other query relating to the shares and debentures of the Company, should be addressed to:

#### For Shares held in Physical form

Intime Spectrum Registry Limited  
C-13, Pannalal Silk Mills Compound,  
L B S Marg, Bhandup (West), Mumbai-400 078.

#### For Shares held in Demat form

To the Depository Participant

#### Compliance Officer for Investor redressal

K.H. Gopal  
Vice President (Legal) & Company Secretary,  
Alok Industries Limited  
108, Shah & Nahar (worli) Industrial Estate,  
Off Dr. E. Moses Road, Worli,  
**Mumbai – 400 018**  
Tel:- (022) 2494 0129, Fax:- (022) 2493 6078  
Email: [gopal@alokind.com](mailto:gopal@alokind.com)

#### Registered Office :

B/43, Mittal Tower,  
Nariman Point,  
**Mumbai-400 021.**

### Web Site

Please visit us at <http://www.alokind.com> for further financial and other information about the Company.

### Transfer of unclaimed amounts to Investor Education and Protection Fund

The investors are requested to claim their unclaimed dividends lying in the unpaid dividend accounts of the Company before the due dates (as stated in the Notes to the Notice). The same would be credited to the Investor Education and Protection Fund (IEPF) on the respective due dates as mentioned in the said Notes to the Notice.

During the year under review the Company has credited a sum of Rs.45,800/- to the IEPF being the unclaimed dividend for the year 1995-96 pursuant to Section 205C of the Companies Act, 1956 and the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.



Your Company recognizes the importance of managing effectively and seeking continuous improvement in health, safety and environmental matters as an integral part of its business activities. It has been our continuous endeavour to provide an environment, which ensures health, safe working conditions and safe practices.

**We are committed to:**

- a) Prevention and control of land, air, water and noise pollution;
- b) Conservation of natural resources and developing green zones in and around our plants and offices;
- c) Compliance with applicable laws, rules and regulations;
- d) Prevention of child labour;
- e) Reduction of waste generation and its proper disposal;
- f) Providing a safe and healthy environment at the workplace for employees and visitors;
- g) Inculcate awareness among all employees, contractors and visitors regarding health, safety and environment;
- h) Achieving ISO 14001, OHSAS 18001 and SA 8000 standards for our organization;
- i) Achieving world wide best practice in health, safety and environmental management and recognition as leaders in these areas in the Indian textile industry
- j) External reporting of our health, safety and environmental performance.



We, at Alok, have been constantly re-inventing ourselves and looking inwards in order to evolve and grow as a world-class corporation. We feel and believe that in order to emerge as a globally competitive textile organisation, the following need to be firmly entrenched from within:

That People are the organisation and Teamwork makes it complete.

That Commitment is a culture and Dedication, a solemn policy.

That Change is constant and Innovation is a never ending endeavour.

That Precision cannot be compromised and Impeccable products would follow.

That Timeliness is valued and Punctuality is a must.

That Modernisation is the key and Technology has to be sophisticated.

That evaluated Risk is a stepping-stone and Success, a natural consequence.

That the World is Ours and we need to keep it Beautiful.



**PROXY FORM**  
**ALOK INDUSTRIES LIMITED**



Registered Office : B/43, Mittal Tower, Nariman Point, Mumbai – 400 021

REGD. FOLIO	
DP ID	
CLIENT ID	
PROXY NO.	
NO. OF SHARES	

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
being a member/members of **Alok Industries Limited**,  
hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_  
or failing him \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy  
to attend and vote for me/us and on my/our behalf at the **Eighteenth Annual General Meeting** of the Company to be held on Thursday, the  
30th day of September, 2004, at 11.00 a.m. at **TEXTILES COMMITTEE AUDITORIUM**, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai  
400 025 and at any adjournment thereof.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2004

Affix  
15 p.  
Revenue  
Stamp

\_\_\_\_\_  
Signature(s) of Member(s)

Note: The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

-----  
TEAR HERE  
-----

**ATTENDANCE SLIP**  
**ALOK INDUSTRIES LIMITED**

Registered Office : B/43, Mittal Tower, Nariman Point, Mumbai – 400 021

Folio No./DP.ID : \_\_\_\_\_

Client ID No. : \_\_\_\_\_

Name & Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby record my presence at the **Eighteenth Annual General Meeting** of the Company being held on Thursday, the 30th day of September, 2004 at 11.00 a.m. at **TEXTILES COMMITTEE AUDITORIUM**, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai 400 025.

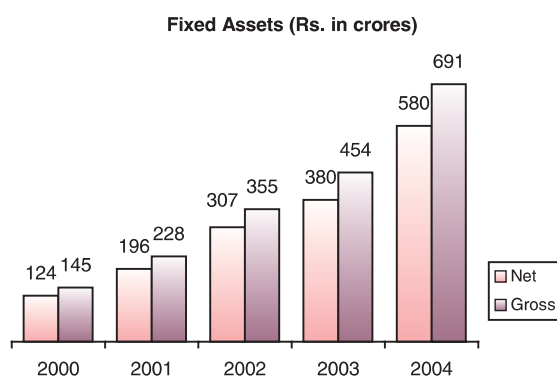
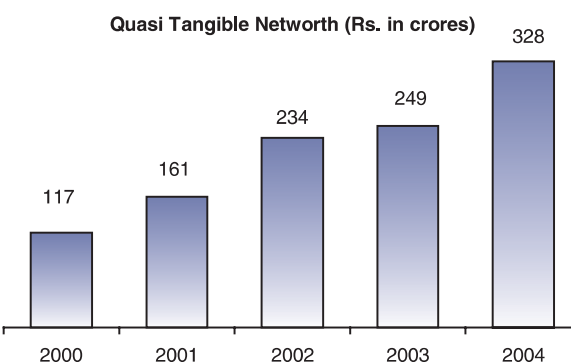
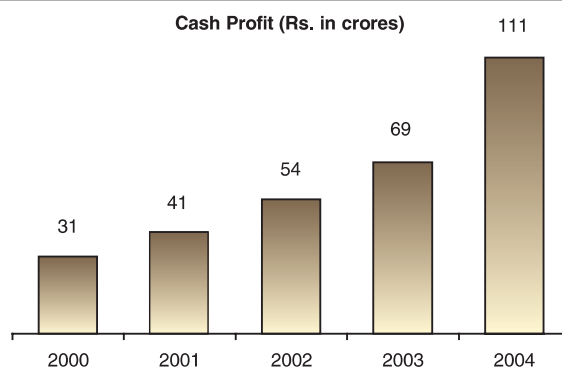
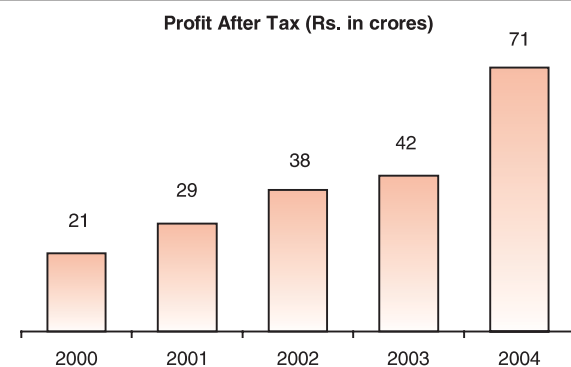
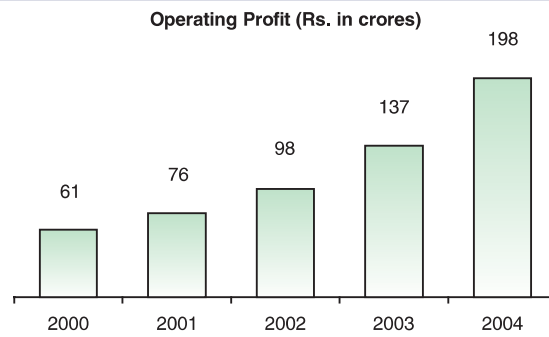
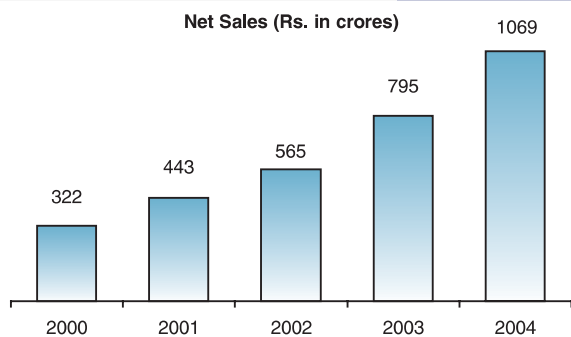
\_\_\_\_\_  
Signature of Member/Joint Member  
Proxy attending the meeting

Please complete this Attendance Slip and bring the slip to the meeting.



(Rs. in Crores)

Particulars	2003-04	2002-03	2001-02	2000-01	1999-00
<b>Profitability Ratios</b>					
Operating Profit Margin (%)	18.56%	17.24%	17.37%	17.19%	18.89%
Profit Before Tax Margin (%)	8.66%	7.46%	7.51%	7.21%	7.10%
Profit After Tax Margin (%)	6.65%	5.32%	6.71%	6.65%	6.64%
Return on Quasi Tangible Net worth (%)	21.21%	16.73%	15.86%	17.79%	16.35%
Return on capital Employed (%)	13.89%	14.03%	13.37%	14.61%	15.59%
<b>Gearing Ratios</b>					
Debt : Quasi Tangible Net worth	1.45	1.14	0.95	1.01	1.02
Total Debt : Quasi Tangible Net worth	2.75	2.20	1.71	1.77	1.79
Current Ratio	1.47	1.45	1.54	1.62	1.70
Liquid Ratio	1.11	0.76	0.82	0.87	0.94
<b>Coverage Ratios</b>					
PBDIT/Interest	2.99	2.66	2.51	2.35	2.14
Net Fixed Assets/Secured Loans	1.56	1.48	1.55	1.25	1.06
W/Capital Turnover Ratio	0.25	0.23	0.26	0.28	0.34



## BOOK -POST



Corporate Office (Mumbai):  
108 Shah & Nahar (Worli)  
Industrial Estate,  
Off Dr. E. Moses Road,  
Worli, Mumbai - 400 018  
Tel : 91-22-2494 0129  
Fax: 91-22-2493 6078  
e-mail : [info@alokind.com](mailto:info@alokind.com)  
website : [www.alokind.com](http://www.alokind.com)

(effective November'2004)  
Peninsula Tower  
Peninsula Corporate Park  
Ganpatrao Kadam Marg  
Off Senapati Bapat Marg  
Lower Parel  
Mumbai - 400 013