



INTERADSEXPORT LIMITED

**ANNUAL REPORT
1999 - 2000**

19th



INTERADS EXPORT LIMITED

BOARD OF DIRECTORS

Dr. Vishwa Nath
Mr. Sunil K. Sharma
Mr. S.P. Chopra
Mr. Pradeep K. Chopra
Mr. Anil K. Sharma

AUDITORS

M/S Shiromany Tyagi & Co.
Chartered Accountants
18, Netaji Subash Marg,
Darya Ganj.
New Delhi. 110 002

REGISTERED OFFICE

1202, Akash Deep Building,
26-A, Barakhamba Road,
New Delhi. 110 001

BANKERS

Indian Overseas Bank
Bank Of India

INTERADS EXPORT LIMITED

Regd. Office : 1202, Akash Deep Building, 26-A, Barakhamba Road,
New Delhi - 110 001

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the Members of Interads Export Limited will be held on the 29.th Day of September, 2000 at 10.00 a.m. at Gulmohar Sport-cum-Community Center, Gulmohar Park, New Delhi - 110049 to transact the following Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2000, the Profit & Loss Account for the period ended on that date and the Reports of Directors & Auditors thereon .
2. To appoint a Director in place of Mr.S.P. Chopra who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr.Vishwa Nath who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and in this connection to pass, with or without modification, the following as an Ordinary Resolution:-

"RESOLVED that M/S Shiromany Tyagi & Co., Chartered Accountants, New Delhi, the Retiring Auditors be and are hereby appointed Auditors of the Company to hold office from the conclusion of the 19th Annual General Meeting until the conclusion of the Next Annual General Meeting of the Company and the Board of Directors be and is hereby authorised to fix their remuneration for the said period."

By Order of the Board of Directors

SUNIL K. SHARMA
Managing Director

Registered Office :
1202 , Akash Deep Building ,
26 - A , Barakhamba Road ,
New Delhi - 110001.
Date : August 2,2000

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 and such proxy need not be a member of the company. Proxies 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 commencement time of the meeting.
2. The Register of Members and Share Transfer Books of the company will be closed on 28th September,2000. Members who are holding shares in identical orders of names in more than one folio, are requested to write to the Company, enclosing their certificates to enable the Company to consolidate their holdings in one folio.
3. Members are requested to notify immediately any change in their addresses to the Secretarial Department of the Company situated at 1202, Akash Deep Building, 26A, Barakhamba Road, New Delhi - 110 001
4. Members/Proxies should bring the attendance slip duly filled in for attending the Meeting.
5. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
6. Documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days (Monday to Friday) except holidays between 11 A.M. and 1.00 P.M. upto the date of the Annual General Meeting and will also be available for inspection at the Meeting.

INTERADS EXPORT LIMITED
Regd. Office: 1202, Akash Deep Building, 26-A, Barakhamba Road
New Delhi - 110001

DIRECTORS REPORT

To The Members

The Directors have pleasure in presenting the 19th Annual Report together with the Audited Accounts for the period ended 31st March 2000.

1. FINANCIAL RESULTS

	<u>31-3-2000</u> <u>Amount(Rs)</u>	<u>31-5-1999</u> <u>Amount(Rs.)</u>
Turnover	24,04,479	5,18,125
Other Income	21,916	7,32,157
Profit before taxation	(1,47,66,049)	(10,65,234)
Provision for taxation	-	-
Profit after Tax	(1,47,66,049)	(10,65,234)
Transfer to General Reserve	(1,47,66,049)	(10,65,234)
Reserves & Surplus	(1,22,50,547)	25,15,502

2. PERFORMANCE REVIEW

As you are aware your Company had been engaged in the exports to CIS including Russia. We anticipated that in the year under review the economic situation would improve. In view of the loss, your Directors have decided not to recommend any dividend for the year ended 31st March, 2000.

3. ENVIRONMENT SAFETY ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

Information in accordance with the provisions of section 217(1) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Directors) Rules 1988 regarding Environment Safety, Energy Conservation and Technology Absorption are not given as the company has not undertaken any manufacturing activities except assembling of pen parts which were imported during the year.

4. FOREIGN EXCHANGE EARNINGS/OUTGO MANUFACTURING

Earnings in Foreign Exchange in respect of export is Nil.

Expenditure in Foreign Exchange is Rs 3,59,627.

5. PUBLIC FIXED DEPOSIT

Your company has not invited any fixed deposit from the public.

6. EMPLOYEES

The industrial relations continued to remain satisfactory between the management and employees. Number of employees covered under section 217 (2A) of the Companies Act 1956 read with the Companies (Particular of Employees) drawing remuneration not less than Rs. 6,00,000 p.a. or Rs. 50,000 p.m. if employed for part of the year is nil.

7. DIRECTORS

Dr. Vishwa Nath and Mr. S.P.Chopra, Directors retire by rotation and being eligible offer themselves for re-appointment.

8. AUDITORS AND AUDITORS' REPORT

The members are requested to appoint Auditors for the current year and to fix their remuneration. M/S Shiromany Tyagi & Co., the existing Auditors are eligible for re-appointment. The Notes to Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

9. ACKNOWLEDGEMENT

Your Directors acknowledge the cooperation and assistance extended by various agencies of the Central Government, Bank, our customers, shareholders, and the employees of the company.

ON BEHALF OF THE BOARD

Place: New Delhi
Date: August 2, 2000

CHAIRMAN

AUDITOR'S REPORT**TO THE MEMBERS OF INTERADS EXPORT LIMITED**

We have audited the attached Balance Sheet of Interads Export Limited as at 31st March, 2000 and also the Profit and Loss Account for 10 months period ended on that date annexed thereto and report that:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure referred in paragraph 1 above, we state that:
 - a. 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 ;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books ;
 - c. The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account ;
 - d. In our opinion, the Profit & Loss Account and the Balance Sheet comply with the Accounting Standards referred to in sub-section 3 (c) of Section 211 of the Companies Act, 1956 except Accounting Standard-15 relating to accounting of retirement benefits on cash basis.

In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the accounting policies and notes given in Schedule S subject to notes 6, 9 & 11 in Part 2 of Schedule S regarding retirement benefits being accounted for on cash basis which is not in conformity with Accounting Standard-15 issued by The Institute of Chartered Accountants of India and non reconciliation of various accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :-

- i. In case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2000 and
- ii. In the case of the Profit and Loss Account of the loss for the period ended on that date.

For **SHIROMANY TYAGI & CO.**
Chartered Accountants

ALOK SHIROMANY
Partner
Place: New Delhi
Date : August 2, 2000

ANNEXURE TO AUDITOR'S REPORT

(Referred to in Paragraph 1 of our report of even date)

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets. The Fixed Assets have been physically verified by the Management during the period. We are informed that no material discrepancies have been noticed by the Management on such verifications.
2. None of fixed assets of the Company have been revalued during the period. The stocks of Finished Goods, Stores, and Raw Materials have been physically verified by the Management at the end of financial period.
3. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
4. The discrepancies noticed on physical verification of stocks which were not material as compared to the stock record have been properly dealt with in the books of accounts.
5. In our opinion and on the basis of our examination of the valuation of stocks, such valuation is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the previous year.
6. The Company has not taken any loans from Companies, Firms or other parties as listed in the Register maintained under section 301 of Companies Act, 1956 and/or from the Companies under the same Management as defined under sub-section(1-B) of section 370 of the Companies Act, 1956.

7. No Loans & Advances in the nature of Loans have been given to Companies, Firms and other parties as listed in the Register maintained under section 301 of the Companies Act, 1956 and/or to the Companies under the same Management as defined under sub-section (1B) of section 370 of the Companies Act, 1956. However, amount due from companies under the same management are prima facie not prejudicial to the interest of the company.
8. The employees and other parties to whom Loans or Advances in the nature of loans have been given by the Company are repaying the principal amount as stipulated or as rescheduled and are also regular in the payment of interest wherever applicable.
9. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of Stores, Raw Material including Components, Plant & Machinery, Equipments and other assets and for the sales of Goods.
10. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts and agreements entered in the Register maintained under section 301 and aggregating during the period for Rs. 50,000/- or more in value in respect of each party have been made at prices which in our opinion, are reasonable having regards to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods have been made with other parties except for items stated to be of specialised nature where no comparison is possible.
11. According to the information and explanations given to us, the Company has a procedure for determination of unserviceable or damaged stores, raw materials and finished goods. No unserviceable or damaged stores, raw materials and finished goods were determined during the period.
12. The Company has not accepted any deposits from public.
13. In our opinion, the Company maintains reasonable records for sale of scraps.
14. There was no manufacturing operations during the period. Therefore, the generation of any by product does not arise.
15. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
16. Provisions of section 209(1)(d) of the Companies Act, 1956 regarding maintenance of cost records do not apply to the Company.
17. According to the records of the Company, Provident Fund dues and ESI dues have generally been regularly deposited during the period with appropriate authorities.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as at 31st March, 2000 for a period of more than six months from the date they became payable.
19. According to the information and explanations given to us and on the basis of books of Accounts of the Company examined by us, no personal expenses have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice.
20. The Company is not a sick industrial Company within the meaning of Clause (O) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
21. According to the information and explanations given to us, no damaged goods, if any, have been determined in case of goods traded-in by the Company.

For **SHIROMANY TYAGI & CO.**
Chartered Accountants

ALOK SHIROMANY
Partner

Place : New Delhi
Date : Aug.2,2000

INTERADS EXPORT LIMITED
BALANCE SHEET AS AT MARCH 31, 2000

PARTICULARS	SCHEDULE	AMOUNT (RS) AS AT 31.03.2000	AMOUNT (RS) AS AT 31.05.1999
<u>SOURCES OF FUNDS</u>			
<u>SHARE HOLDER'S FUNDS</u>			
Share Capital	A	2,38,03,500	2,38,03,500
Reserves & Surplus	B	(1,22,50,547)	25,15,502
<u>LOAN FUND</u>			
Unsecured Loan	C	7,89,516	7,35,000
TOTAL		1,23,42,469	2,70,54,002
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	D	21,63,277	21,59,377
Less: Depreciation		10,64,450	9,45,357
Net Block		10,98,827	12,14,020
Capital Work in Progress		34,42,440	30,00,979
		45,41,267	42,14,999
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
<u>Current Assets</u>			
Inventories	E	30,63,453	30,18,154
Sundry Debtors	F	20,55,626	1,53,58,230
Cash & Bank Balances	G	7,16,188	8,31,467
Loans & Advances	H	14,69,731	19,55,202
		73,04,998	2,11,63,053
<u>LESS : CURRENT LIABILITIES & PROVISIONS</u>			
Current Liabilities	I	17,70,937	16,59,532
Provisions		1,10,000	1,10,000
NET CURRENT ASSETS		54,24,061	1,93,93,521
<u>MISCELLANEOUS EXPENDITURE</u>			
(To the extent not written off or adjusted)	J	23,77,141	34,45,482
TOTAL		1,23,42,469	2,70,54,002
<u>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS</u>			
	S		
THIS IS THE BALANCE SHEET REFERRED IN OUR REPORT OF EVEN DATE		THE SCHEDULES REFERRED TO ABOVE TO FORM AN INTEGRAL PART OF THE BALANCE SHEET	

For **SHIROMANY TYAGI & CO.**
Chartered Accountants

For and on behalf of the Board

ALOK SHIROMANY
Partner

VISHWANATH
Chairman

S.K. SHARMA
Managing Director

Place : New Delhi
Date : August 2, 2000

S.P.CHOPRA
Director

INTERADS EXPORT LIMITED
PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2000

PARTICULARS	SCHEDULE	AMOUNT (RS) AS AT 31.03.2000	AMOUNT (RS) AS AT 31.05.1999
<u>INCOME</u>			
Sales	K	24,04,479	5,18,125
Other Income	L	21,916	7,32,157
TOTAL		24,26,395	12,50,282
<u>EXPENDITURE</u>			
Cost of goods sold	M	12,42,004	3,01,980
Employees Remuneration & Benefits	N	3,93,885	3,93,782
Director's Remuneration		1,50,000	1,34,100
Selling and Distribution Expenses	O	1,58,203	67,126
Finance Charges	P	12,592	10,053
Other Expenses	Q	9,92,640	8,42,876
Depreciation		1,19,093	1,93,372
Miscellaneous Expenditure Written off		4,02,716	3,46,780
Provision for Doubtful Debts		1,29,84,224	-
TOTAL		1,64,55,357	22,90,069
Profit for the year before		(1,40,28,962)	(10,39,787)
Prior period adjustment.	R	7,37,087	25,447
Profit for the year before taxation		(1,47,66,049)	(10,65,234)
Less: Provision for Taxation		-	-
Profit for the year after taxation		(1,47,66,049)	(10,65,234)
Brought forward from previous year		25,15,502	35,80,736
Balance carried to Balance Sheet		<u>(1,22,50,547)</u>	<u>25,15,502</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	S		
THIS IS THE PROFIT & LOSS ACCOUNT REFERRED TO IN OUR REPORT OF EVEN DATE		THE SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE BALANCE SHEET	

For **SHIROMANY TYAGI & CO.**
Chartered Accountants

For and on behalf of the Board

ALOK SHIROMANY
Partner

VISHWANATH
Chairman

S.K. SHARMA
Managing Director

Place : New Delhi
Date : August 2, 2000

S.P.CHOPRA
Director

LIST OF SCHEDULES

NAME OF SCHEDULE	AMOUNT (RS) AS AT 31.03.2000	AMOUNT (RS) AS AT 31.05.1999
<u>SCHEDULE - A</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED</u>		
35,00,000 Equity Shares of Rs. 10 each	3,50,00,000	3,50,00,000
<u>ISSUED SUBSCRIBED AND PAID UP</u>		
-8,59,200 Equity Shares of Rs 10 each allotted as fully paid to Promoters, their friends, relatives and associates *	85,92,000	85,92,000
-7,09,600 (previous year 22,00,300) Equity Shares of Rs. 10 each	70,96,000	2,20,03,000
Issued and Subscribed Capital	1,56,88,000	3,05,95,000
Less: Allotment Money in Arrears		
- By Directors	-	-
- By Others **	-	67,91,500
Add : Forfeited Shares (Amount Originally Paid up)	81,15,500	-
Paid up Capital	2,38,03,500	2,38,03,500

* Of the above shares 2,55,000 Equity Shares were allotted as fully paid up bonus shares , by capitalisation of Rs.25,50,000 from Reserve & Surplus.

** Allotment money in arrears relates to 14,90,700 Equity Shares issued in 1995-96 Which has been forfeited during the period.

SCHEDULE - B
RESERVE & SURPLUS

Balance as per last Balance sheet	2,515,502	35,80,736
Add : Profit during the year	(1,47,66,049)	(10,65,234)
	(1,22,50,547)	25,15,502

SCHEDULE - C
LOAN FUND
UNSECURED LOAN

<u>Directors :</u>		
Sunil K. Sharma	7,89,516	7,35,000
Others	-	-
	7,89,516	7,35,000

**SCHEDULE D
FIXED ASSETS**

S.No.	Particulars	Gross Block (Rs.)				Depreciation (Rs.)				Net Block (Rs.)	
	Assets	As On 1.6.99	Additions	Deletion	As On 31.3.2000	Upto 1.6.99	During the year	On Assets sold	Upto 31.3.2000	As On 31.3.2000	As On 31.5.99
EXPORT UNIT											
1	Furniture & Fixtures	78,545	-	-	78,545	53,108	3,837	-	56,945	21,600	25,437
2	Air Conditioners & Refrigerators	18,585	-	-	18,585	14,192	509	-	14,701	3,884	4,393
3	Fans	1,009	-	-	1,009	933	9	-	942	67	76
4	Cars	1,112,573	-	-	1,112,573	665,092	96,544	-	761,636	350,937	447,481
5	Air Coolers	9,910	-	-	9,910	7,646	262	-	7,908	2,002	2,264
6	Water cooler	2,972	-	-	2,972	2,452	60	-	2,512	460	520
7	Franking Machine	8,884	-	-	8,884	7,917	112	-	8,029	855	967
8	Scooter	14,283	-	-	14,283	13,484	85	-	13,569	714	799
9	Carpet Cleaner	3,650	-	-	3,650	2,911	86	-	2,997	653	739
10	Bi-Cycle	826	1,450	-	2,276	716	212	-	928	1,348	110
11	Typewriter	5,950	-	-	5,950	4,348	186	-	4,534	1,416	1,602
12	Fax Machine	33,000	-	-	33,000	20,840	1,410	-	22,250	10,750	12,160
13	Computer	117,750	-	-	117,750	90,073	9,226	-	99,299	18,451	27,677
14	Cellular Phone	30,100	-	-	30,100	11,624	2,142	-	13,766	16,334	18,476
15	Television	-	2,450	-	2,450	-	114	-	114	2,336	-
16	Water Pump	3,500	-	-	3,500	2,607	104	-	2,711	789	893
17	Grinding Machine	750	-	-	750	561	22	-	583	167	189
18	Strapping Machine	797	-	-	797	587	24	-	611	86	210
19	Bi-Cycle	837	-	-	837	713	21	-	734	103	124
20	Sewing Machine	35,204	-	-	35,204	23,785	1,324	-	25,109	10,095	11,419
21	Furniture & Fixtures	3,523	-	-	3,523	2,577	143	-	2,720	803	946
NOIDA UNIT											
22	Industrial Plot at Noida	634,636	-	-	634,636	-	-	-	-	634,636	634,636
23	Bi-Cycle	400	-	-	400	217	31	-	248	153	183
24	Generator Set	41,693	-	-	41,693	18,974	2,634	-	21,608	20,085	22,719
Total		2,159,377	3,900	-	2,163,277	945,357	119,093	-	1,064,450	1,098,827	1,214,020
Previous Year		2,159,377	-	-	2,159,377	751,985	193,372	-	945,357	1,214,020	1,407,392
Capital Work-in-Progress										3,442,440	3,000,979

PARTICULARS	AMOUNT (RS) AS AT 31.03.2000	AMOUNT (RS) AS AT 31.05.1999
<u>SCHEDULE - E</u>		
<u>INVENTORIES</u>		
(As taken, valued and certified by Management)		
Bristle	11,29,792	11,29,792
Finished and Semi finished goods	7,30,580	7,30,580
Goods for Export	3,10,817	4,98,965
Raw Material	37,972	37,972
Other goods	5,060	5,060
Razai	41,555	41,555
Pen & Pen Parts	8,07,697	574,250
	<u>30,63,453</u>	<u>30,18,154</u>
<u>SCHEDULE - F</u>		
<u>SUNDRY DEBTORS</u>		
Over six months		
- Considered good	-	-
- Considered doubtful	1,50,17,160	1,53,58,230
- Other debts	22,690	-
	<u>1,50,39,850</u>	<u>1,53,58,230</u>
Less : Provision for Doubtful Debts	<u>1,29,84,224</u>	<u>-</u>
	<u>20,55,626</u>	<u>1,53,58,230</u>
<u>SCHEDULE - G</u>		
<u>CASH AND BANK BALANCES</u>		
Cash Balance in hand (including Imprest)	5,33,958	5,70,200
Balances with scheduled Banks		
- Current Account	27,676	1,06,713
- Fixed Deposit	1,54,554	1,54,554
	<u>7,16,188</u>	<u>8,31,467</u>
<u>SCHEDULE - H</u>		
<u>LOANS AND ADVANCES</u>		
(Unsecured - considered good)		
Advances recoverable in cash or in kind or for value to be received	5,07,780	8,64,529
Security Deposits / Other Deposits	36,500	36,500
Advance Tax	25,812	25,812
Tax deducted at Source	81,912	81,912
Staff Advance	40,462	93,484
Due from Companies under the same management *	7,77,265	8,52,965
	<u>14,69,731</u>	<u>19,55,202</u>
*Maximum amount due at any time during the period Rs. 852965 (Previous Year Rs 900964)		
<u>SCHEDULE - I</u>		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
<u>Current Liabilities</u>		
Sundry Creditors		
- Due to small Scale Industrial Units	-	-
- Others	1,60,848	7,46,257
Advance from Customers	4,89,797	5,22,153
Due to Companies under the same Management	8,91,974	2,20,214
Other Liabilities	2,28,318	1,70,908
	<u>17,70,937</u>	<u>16,59,532</u>
<u>Provisions</u>		
Provision for Tax	1,10,000	1,10,000
	<u>18,80,937</u>	<u>17,69,532</u>

PARTICULARS	AMOUNT (RS) AS AT 31.03.2000	AMOUNT (RS) AS AT 31.05.1999
<u>SCHEDULE - J</u>		
<u>MISCELLANEOUS EXPENDITURE</u>		
(To the extent not written off or adjusted)		
<u>DEFERRED REVENUE EXPENDITURE</u>		
As per Last Balance Sheet	13,64,802	13,64,802
Add: Amount incurred during the period	-	-
	13,64,802	13,64,802
Less: Transfer to Profit & Loss Account	7,79,358	-
	<u>5,85,444</u>	<u>13,64,802</u>
<u>SHARE ISSUE EXPENSES</u>		
As per Last Balance Sheet	20,80,680	24,27,460
Add: Amount incurred during the period	-	-
	20,80,680	24,27,460
Less: Transfer to Profit & Loss Account	2,88,983	3,46,780
	<u>17,91,697</u>	<u>20,80,680</u>
TOTAL (A+B)	<u>23,77,141</u>	<u>34,45,482</u>
<u>SCHEDULE - K</u>		
<u>SALES</u>		
Sales	24,04,479	5,18,125
	<u>24,04,479</u>	<u>5,18,125</u>
<u>SCHEDULE - L</u>		
<u>OTHER INCOME</u>		
Exchange gain	1,416	6,35,362
Excess credits written back	20,500	96,795
	<u>21,916</u>	<u>7,32,157</u>
<u>SCHEDULE - M</u>		
<u>COST OF GOODS SOLD</u>		
<u>Opening Stock</u>		
Finished and Semi finished goods	7,30,560	7,30,560
Goods for Export	4,98,965	4,98,965
Bristle	11,29,792	11,29,792
Razai	41,555	41,555
Other goods	43,032	43,032
Pen & Pen Parts	5,74,250	-
	30,18,154	24,43,904
Add : Purchase of Pen & Pen Parts	12,87,303	8,76,230
	<u>43,05,457</u>	<u>33,20,134</u>
Less :Closing Stock		
Finished and Semi finished goods	7,30,560	7,30,560
Goods for Export	3,10,817	4,98,965
Bristle	11,29,792	11,29,792
Razai	41,555	41,555
Other goods	43,032	43,032
Pens & Pen Parts	8,07,697	5,74,250
	<u>12,42,004</u>	<u>3,01,980</u>

PARTICULARS	AMOUNT (RS) AS AT 31.03.2000	AMOUNT (RS) AS AT 31.05.1999
<u>SCHEDULE - N</u>		
<u>EMPLOYEES REMUNERATION AND BENEFITS</u>		
Salary	2,83,106	2,72,530
Bonus	24,389	19,163
Contribution to Provident Fund	53,111	53,385
Staff Welfare Expenses	24,105	18,608
ESI Contribution Fund	9,174	12,496
House Rent Allowance	-	17,600
	3,93,885	3,93,782
<u>SCHEDULE - O</u>		
<u>SELLING & DISTRIBUTION EXPENSES</u>		
Business Promotion Expenses	10,637	6,530
Advertisement Expenses	8,629	21,364
Packing & Forwarding	1,37,000	39,232
Discount	1,218	-
Samples	720	-
	1,58,203	67,126
<u>SCHEDULE - P</u>		
<u>FINANCE CHARGES</u>		
Bank Charges	12,592	10,053
	12,592	10,053
<u>SCHEDULE - Q</u>		
<u>OTHER EXPENSES</u>		
Printing & Stationery	23,984	32,259
Postage & Telegram	10,256	3,639
Telephone/Telex/Fax Expenses	1,25,014	1,35,728
Conveyance	68,071	24,559
Travelling Expenses	1,39,347	3,30,415
Freight & Forwarding	2,786	2,233
Repairs & Maintenance	1,66,236	1,41,384
Payment for the use of Furnished Premises	24,000	24,000
Electricity & Water Charges	32,469	26,908
Legal and Professional Charges	28,950	27,100
General Expenses	14,009	20,059
Books & Periodicals	3,279	4,185
Insurance	10,309	22,104
Audit Fee	10,500	10,500
Membership Fee & Annual Subscription	6,156	6,900
License & Filing Fee	24,856	2,460
Listing Fee	37,850	15,000
Annual General Meeting Exps.	11,102	3,226
Ground Rent & Replacement Fund	1,510	10,217
Lease Rent	9,238	-
Watch & Security	7,754	-
Advances Written Off	2,34,964	-
	9,92,640	8,42,876

PARTICULARS	AMOUNT (RS)	AMOUNT (RS)
	AS AT 31.03.2000	AS AT 31.05.1999
<u>SCHEDULE - R</u>		
<u>PRIOR PERIOD ADJUSTMENTS</u>		
Prior Period Expense		
Ground Rent	-	25,447
Lease Rent	71,462	-
Deferred Revenue Expenditure	6,65,625	-
	<u>7,37,087</u>	<u>25,447</u>

SCHED - S
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES.

i. Basis of Accounting

The accounts and financial statements have been prepared on historical cost basis of accounting and materially comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India except where otherwise stated. Mercantile system of accounting is followed except income on account of insurance and other claims receivable and income tax refund which are accounted for on cash basis.

ii. Income

In respect of heads of income, the Company follows the practice of accounting for such income on accrual basis.

iii. Expenses

It is the Company's policy to provide for all expenses on accrual basis.

iv. Depreciation

Depreciation is provided on Fixed Assets on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 as amended vide notification dated 16th December, 1993. No depreciation is provided on lease hold land as the lease is a long lease.

v. Fixed Assets

Fixed Assets are stated at cost less depreciation.

vi. Valuation of Inventories etc.

Raw Materials

- At Cost .

Finished and Semi-finished goods

- At lower of cost or net realisable value.

vii. Foreign Currency Transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Liabilities and assets in foreign currencies at the year end are translated at the exchange rate prevailing at the close of the year. Any income or expense on account of exchange difference either on settlement or translation is recognised in Profit and Loss account.

viii. Retirement benefits

Contributions are made under the relevant rules/statutes for Provident Fund and Family Pension Fund which are charged to Profit and Loss Account on accrual basis. Other retirement benefits including Gratuity and Leave encashment benefit are accounted for on payment basis.

ix. Expenses relating to capital issue

The preliminary and capital issue expenses are being amortized over a period of ten years.

x. Additions to Share Capital

Additions to subscribed and paid-up share capital is accounted for as and when allotment money is received.

xi. Contingent Liabilities

All liabilities have been provided for in the accounts except liabilities of a contingent nature.

xii. Prior Period Adjustments

Besides the debit / credit in previous year adjustment account, amounts related to previous year, arising/settled during the year have been debited/credited to respective heads of accounts.

xiii. Expenditure during Construction period

Administrative and other preoperative expenses are carried forward under capital work in progress to be allocated to respective fixed assets on installation of the same.

2. NOTES FORMING PART OF ACCOUNTS

	Period Ended On March 31,2000	Previous Year
1. Contingent Liabilities		
a. Income Tax Liability regarding TDS on Salaries (case pending in Appeal)	6,600	6,600
b. Income Tax Liability (case pending in Appeal)	1,01,600	1,01,600
c. Industrial dispute for reinstatement of an Employee	Amount Indeterminate	Amount Indeterminate
d. Outstanding Bank Guarantee	50,000	50,000
2. Managing Director's Remuneration includes		
The following		
a. Salary	1,50,000	134,100
b. Others	21,318	14,964
3. Expenditure in foreign currency		
a. Foreign Travel	87,825	2,85,613
b. CIF value of import	2,71,802	4,98,179
4. Earning in foreign exchange		
a. FOB value of export	Nil	Nil
5. Amounts due from Managing Director And Directors		
a. Amount due in imprest account	Nil	35,484
b. Maximum amount outstanding any Time during the period	35,484	1,51,660
6. Retirement benefits have been accounted for on payment basis.		
7. No provision has been made for Income Tax in the absence of taxable income for the year.		
8. Estimated net amount of capital contracts (net off advances) remaining to be executed and not provided for Rs. 5 .Lakhs. (Previous year Rs.5.5 Lakhs)		
9. Sundry debtors, Advances and Sundry Creditors are under reconciliation and subject to confirmation from respective parties, the final adjustments, if any, shall be made on final reconciliation with respective parties.		
10. The Company has changed its accounts closing date from May 31 to March 31 of the year. Consequently, the accounts for the period ended on March 31,2000 have been prepared for 10 months.		
11. The balances in various accounts amounting to Rs 1,25,710 with the following scheduled Banks could not be confirmed in the absence of statement of account/certificate from said banks. Due to non availability of particulars such as rate of interest, date of maturity etc.the amount of accrued interest on these deposits has not been accounted for in the books of accounts, as in previous years.		
A. Fixed Deposit with		
P.N.B. (WPN)		
P.N.B. (JP)		
Canara Bank, (New Delhi)		
B. Current Account with		
P.N.B. (Sundry)		
12. Old outstanding foreign debtors amounting to Rs. 128.75 lacs (previous year Rs. Nil) have been written off for which formal approval from Reserve Bank of India is awaited.		
13. Additional information pursuant to paragraphs 3 and 4 of part two of Schedule VI to the Companies Act, 1956 (as amended)		

QUANTITATIVE DETAILS

	CURRENT YEAR		PREVIOUS YEAR	
	<u>Qty</u>	<u>Value (Rs)</u>	<u>Qty</u>	<u>Value (Rs)</u>
1.1. Opening Stock				
Bristle	38934kgs	11,29,792	38934kgs	11,29,792
Ready made Garments And Leather Bags	-	12,33,925	-	12,33,925
Razai (62"x 92")	173 pcs	41,555	173 pcs	41,555
Pen & Pen Parts	-	5,74,250	-	-
Misc.Items	-	43,032	-	43,032
1.2. Purchases				
Pen & Pen Parts	-	12,87,303	-	8,76,230
1.3. Sales				
Pen & Pen Parts	-	22,06,429	-	5,18,125
Ready made Garments And Leather Bags	-	1,98,050	-	-
1.4. Closing Stock				
Bristle	38934kgs	11,29,792	38934kgs	11,29,792
Ready made Garments And Leather Bags	-	10,41,377	-	12,33,925
Razai (62"x 92")	173 pcs	41,555	173 pcs	41,555
Pen & Pen Parts	-	8,07,697	-	5,74,250
Misc.Items	-	43,032	-	43,032
14. Names of the SSI undertakings to whom the company owes a sum exceeding Rs. 1 lakh which is outstanding for more than 30 days within the agreed terms (in terms of Notification No. G.S.R. 129 (E), dated Feb.22, 1999) is not readily available.				
15. Current year's figures are for 10 months whereas previous year's figures are for 12 months, hence not comparable.				
16. Figures have been rounded off to the nearest rupee. Previous year figures have been regrouped and rearranged wherever necessary to make them comparable with the current period's figures.				

17. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(PURSUANT TO PART IV TO SCHEDULE VI OF THE COMPANIES ACT)

I. REGISTRATION DETAILS

State Code	55	Registration No.	12621
Balance Sheet date	31	03	2000
	Date	Month	Year

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN Rs. THOUSAND)

Public Issue	Right Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS
(AMOUNT IN Rs. THOUSAND.)

Sources of Funds

Total Liabilities	12342	Total Assets	12342
Paid up Capital	23804	Reserves & Surplus	(12251)
Secured Loans	Nil	Unsecured Loans	790

Application of Fund

Net Fixed Assets	4541	Investments	-
Net Current Assets	5424	Miscellaneous	
Accumulated Losses	12251	Expenditure	2377

IV. PERFORMANCE OF THE COMPANY (AMOUNT IN Rs. THOUSAND)

Turnover	2426	Total Expenditure	17192
Profit/Loss Before Tax (14766)		Profit /Loss after tax	(14766)
Earnings per Share	-	Dividend Rate	-

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY

Product Description	:	Paint Brushes
Generic Code No.	:	Nil
Product Description	:	Cotton Products
Generic Code No.	:	Nil
Product Description	:	Pen & Pen Parts
Generic Code No.	:	Nil

SIGNATURES TO SCHEDULES 'A' TO 'S'

As per our report of even date attached

For and on behalf of the Board

For **SHIROMANY TYAGI & CO.**
Chartered Accountants

ALOK SHIROMANY
Partner

VISHWANATH
Chairman

S.K. SHARMA
Managing Director

S.P. CHOPRA
Director

Place : New Delhi
Date : Aug. 2, 2000

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2000
PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT (S) (AS AMENDED)**

	AMOUNT (Rs)	AMOUNT(Rs)
A. CASH FLOW FROM OPERATION ACTIVITY		
Net Profit/Loss before tax and	(1,47,66,049)	
Extra - ordinary items		
Adjustments for		
- Depreciation	1,19,093	
Operating profit before working Capital changes	(1,46,46,956)	
Adjustments for		
- Trade & other Receivables	1,37,88,075	
- Inventories	(45,299)	
- Trade & other payables	1,65,921	
Cash flow before extraordinary Items		(7,38,259)
(Net cash Flow from operating activities)		
B. CASH FLOW FROM INVESTING ACTIVITIES:		
- Purchase of fixed Assets		
(including work in Progress)	(4,45,361)	
- Increase in Miscellaneous Expenditure	10,68,341	6,22,980
Net decrease in Cash & Cash equivalent		(1,15,279)
Add: Cash & Cash equivalent as at 1st June, 1999		8,31,467
Cash & Cash equivalent as at 31st March, 2000		7,16,188

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of Interads Export Ltd. with reference to the audited annual accounts for the period ended 31st March, 2000 and we found the same to be in agreement therewith.

As per our report of even date attached
For **SHIROMANY TYAGI & CO.**
Chartered Accountants

For and on behalf of the Board

ALOK SHIROMANY
Partner

VISHWANATH
Chairman

S.K.SHARMA
Managing Director

Place : New Delhi
Date : Aug. 2,2000

S.P.CHOPRA
Director

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