

KUKSON FOOTCARE LTD.

Regd. Office : 127-128 Talawali Chanda, Mangliya, Indore

ANNUAL ACCOUNTS (1999-2000)

PRAKASH WOHLA & CO.

CHARTERED ACCOUNTANTS

94, Sir Hukumchand Marg

INDORE 452001

PRAKASH WOHRA & CO.,
Chartered Accountants

94, Sir Hukumchand Marg,
INDORE - 452 002
Ph (0) 451530, 451732
Resi. 481995, 483355

"AUDITORS REPORT"

We have audited the attached Balance Sheet of KUKSON FOOTCARE LIMITED as at 31st March, 2000 and also the annexed Profit and Loss Account for the Year ended on 31st March 2000 & report that :

- (1) The Company has not commenced its production activity till the close of the year. However as required by the Manufacturing and Other Companies (Auditor Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act 1956, we enclose in the Annexure a statement on the matter specified in paragraph 5 of the said order, to the extent, it is applicable to the company.
- (2) Further to our comments in paragraph 1 above :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - (c) The Balance Sheet and Profit and Loss Account, dealt with this report are in agreement with the Books of Accounts.
 - (d) In our opinion the Balance Sheet and the Profit and Loss Account complies with the mandatory accounting standards, subject to notes on accounts attached to and forming part of Balance sheet, referred in section 211 (3c) of the companies Act 1956.
 - (e) In our opinion and to the best of our information and according to the explanations given to us the accounts, subject to read with notes thereon, give information as required by the Companies Act, 1956 in, manner as required and give a true and fair view ;
 - i) In case of Balance Sheet of the state of affairs of the company as at 31st March 2000 ;
 - ii) In case of Profit and Loss Account of the Loss for the Year ended on that date.

Place : Indore (M.P.)

Dated : 14th August 2000



FOR PRAKASH WOHRA & COMPANY
CHARTERED ACCOUNTANTS

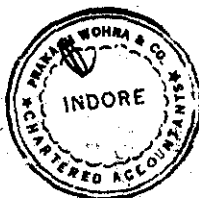
(PRAKASH WOHRA)
PARTNER
M. No. 70346

ANNEXURE TO AUDITORS REPORT

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

1. The company has maintained proper records showing full particulars quantitative details and situation of fixed Assets but the same is not updated. All the Assets are reported to have been physically verified by the Management during the year. There is no regular programme of such verification. No material discrepancies were reported noticed during such verification.
2. None of the Fixed Assets have been revalued during the year.
3. The Company has not carried out manufacturing or trading activity. Hence there was no stock with the company.
4. In our opinion, the terms and conditions on which interest free loans have been taken from companies firms or other parties listed in the register maintained under section 301 are not prima facie prejudicial to the interest of the company. The company has not taken any loan from the Company under the same management.
5. As per the information and explanation given to us the company has not granted any loans except for temporary advances to companies, firms or the other parties listed in the register maintained under section 301 of the Companies Act 1956.
6. The Company has given interest free advances of Rs.175.16 lacs to the Company under the same management towards purchase of finished products and other temporary advances which are not recovered in stipulated time period and are overdue.

• CONTD ...2



7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of goods and other assets and for sale of goods.

In our opinion and according to the information and explanation given to us there was no transaction of purchase and sales of goods and materials in pursuance of contract or arrangements entered in the register maintained under section 301 and aggregating during the year to Rs. 50000/- or more in respect of each party.

9. As per the information and explanation given to us there were no damaged stocks with the company except for building materials.

10. The company has not accepted any deposit from the public beyond the limits prescribed U/s. 58-A of Companies Act, 1956 read with companies (Acceptance of Deposits) Rules 1975.

11. The size of the company did not require any formal internal Audit system. The internal control procedure involves reasonable internal checking of its financial records which is considered by us to be adequate under the circumstances.

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12. To the best of our information the Central Government has not prescribed maintenance of any cost records Under section 209(1)(d) of the Companies Act 1956 for this type of industry.
13. The Provident Fund Schemes and the Employees State Insurance Act is not presently applicable to the company.
14. In our opinion and according to information and explanation given to us, there is no undeposited and outstanding amount on account of Income tax or Sales tax outstanding as at the last day of the financial year except for TDS Rs. 69269/- concerned for a period of more than six months from the date they become payable.
15. In our opinion and according to the information and explanation given to us no personal expenses have been charged / debited to the revenue account.
16. In our opinion and according to the information & explanation given to us the company is not covered within the definition of Sick Industrial Unit as contained in section 3(1)(D) of the Sick Industrial Companies (Special Provisions) Act 1985.

Place : Indore (M.P.)

Dated : 14th August 2000



FOR PRAKASH WOHRRA & CO.,
CHARTERED ACCOUNTANTS

(PRAKASH WOHRRA)

Partner

M. NO. 70346

KUKSON FOOTCARE LIMITED

Regd Office : 127-128 Talawali Chanda, Mangliya, Indore (M.P.)

DIRECTORS REPORT TO SHARE HOLDERS

Dear Share Holders

Your Directors have pleasure in presenting this Eighth annual report together with the Audited statements of Accounts of the Company for the year ended on 31st March 2000.

FINANCIAL RESULTS :

The Company has suffered losses of Rs.35918.00/- during the financial year ended on 31.03.2000.

PROJECT IMPLEMENTATION :

Due to adverse market conditions there was no progress in the implementation of the project.

PUBLIC DEPOSITS :

The company has not invited or accepted any public deposits beyond the permissible limits during the year .

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION :

Since there was no production activity during the year , provisions of Section 217 (1) (e) of the Companies Act 1956 read with Companies (Disclosures of particulars in the report of the Board of Directors) Rules 1988 do not apply to the company

Contd2

KUKSON FOOTCARE LIMITED

Regd Office : 127-128 Talawali Chanda, Mangliya, Indore (M.P.)

:2:

FOREIGN EXCHANGE EARNINGS AND OUTGO :

There was no earning or outgo in foreign exchange during the year under report.

AUDITORS :

You are requested to appoint Auditors of the company for the ensuing year 2000-2001 and to fix there remuneration.

The observations of the Auditors referred to in the Auditors Report are self explanatory and therefore do not call for any further explanation.

DIRECTORS :

Mr. Ramesh Kumar Arora Director of the Company retires by rotation at the ensuing Annual General meeting and being eligible offers himself for reappointment.

PARTICULARS OF EMPLOYEES :

None of the employee is covered under section 217(2A) of the Companies Act 1956 read with Companies (particulars of employees) Rules 1975 and subsequent amendments from time to time.

ACKNOWLEDGEMENT :

Your Directors place on record their appreciation of the sincere cooperation the company has received from its Share holders, Bankers and financial institutions.

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : INDORE (M.P.)

Dated : 14th August 2000


(CHAIRMAN)

KUKSON FOOTCARE LIMITED**BALANCE SHEET AS AT 31ST MARCH 2000**

	SCHEDULE NO.	AMOUNT AS ON 31.3.2000	AMOUNT AS ON 31.3.99
<u>SOURCES OF FUNDS :</u>			
<u>SHARE HOLDERS FUNDS :</u>			
Share Capital	1	51343000.00	51343000.00
<u>LOAN FUNDS :</u>			
Unsecured Loans	2	1513074.23	1513074.23
TOTAL RUPEES		52856074.23	52856074.23
<u>APPLICATION OF FUNDS :</u>			
<u>FIXED ASSETS :</u>			
GROSS BLOCK	3	872601.30	872601.30
INVESTMENTS	4	1600000.00	1600000.00
<u>CURRENT ASSETS, LOANS & ADVANCES :</u>			
<u>A. CURRENT ASSETS :</u>			
a. Sundry Debtors	5	1154720.00	1154720.00
b. Cash & Bank Balances	6	62206.52	65501.52
		1216926.52	1220221.52
<u>B. LOANS AND ADVANCES</u>	7	44082569.05	44193174.05
<u>C. Deposits :</u>	8	300000.00	300000.00
		45599495.57	45713395.57

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Less : Current Liabilities & ProvisionsA. CURRENT LIABILITIES :

a. For Expenses	09	540454.27	544454.27
b. For Share Application money refund		3690.00	3690.00

B. PROVISIONS :

	10	93583.00	92096.00
		637727.27	640240.27

NET CURRENT ASSETS :

		44961768.30	45073155.30
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MISCELLANEOUS EXPENDITURE :

	11	5421704.63	5310317.63
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(To the extent Not written off
or adjusted)

TOTAL RUPEES :

		52856074.23	52856074.23
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NOTES ON ACCOUNTS :

13

(RAJ KUMAR ARORA)
MANAGING DIRECTOR

(RAM ARORA)
DIRECTOR

AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR PRAKASH MOHRA & CO.,
CHARTERED ACCOUNTANTS



PLACE : INDORE (M.P.)

Dated : 14th August 2000

(PRAKASH MOHRA)
PARTNER
M.NO. 70346

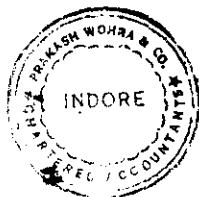
KUKSON FOOTCARE LTD.

TRADING AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2000

	SCHEDULE NO.	AMOUNT 31.3.2000	AMOUNT 31.3.99
A. <u>INCOME</u>		NIL	NIL
B. <u>EXPENSES</u>			
Administrative Expense	12	16737.00	16801.58
Preliminary Exp. Written Off		19181.00	19181.00
	(B)	35918.00	35982.58
<u>NET PROFIT (Loss) (A-B)</u>		(35918.00)	(35982.58)
<u>NOTES ON ACCOUNTS :</u>	13		

JK
(RAJ KUMAR ARORA)
MANAGING DIRECTOR

MA 2000
(RAM ARORA)
DIRECTOR



AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR PRAKASH WOHRA & CO.,
CHARTERED ACCOUNTANTS

Prakash
(PRAKASH WOHRA)
PARTNER
M.NO.70346

PLACE : INDORE (M.P.)

Dated : 14th August 2000

KUKSON FOOTCARE LTD., INDORE

Schedule forming part of Balance sheet and Profit & loss Account for the year ended on 31st March 2000

SCHEDULE NO. 1

SHARE CAPITAL

AUTHORISED :

56,00,000 Equity shares of Rs. 10/- each. (Previous year 5600000 equity shares of Rs. 10/- each)	56000000.00 *****	56000000.00 *****
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ISSUED :

5134300 Equity shares of Rs. 10/- each fully paidup (Previous Year 5134300 equity shares of Rs. 10/- each fully paid up)	51343000.00	51343000.00
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TOTAL RUPEES	51343000.00	51343000.00
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SCHEDULE NO. 2

UNSECURED LOANS

<u>Inter Corporate Deposits</u> Ives Lease & Finance Pvt. Ltd. Sonic Fiscal Services P.Ltd.	500000.00 419843.73	500000.00 419843.73
Sub Total	919843.73	919843.73

From Others

Shakuntala Barg Ritu Traders Siddharth Enterprises	400000.00 128695.50 64535.00	400000.00 128695.50 64535.00
Sub Total	593230.50	593230.50

TOTAL RUPEES	1513074.23	1513074.23
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SCHEDULE NO. 3

FIXED ASSETS

Factory Building (Building Materials etc)	616301.30	616301.30
Car Account	256300.00	256300.00
TOTAL RUPEES	872601.30	872601.30



SCHEDULE NO. 4**INVESTMENTS**

(160000 equity shares of
Brahma Capital & Sec. Ltd.,
Indore, of Rs. 10/- each fully
paidup (Previous year 160000
Equity Shares)
(Market Value not ascertained
Prev. Year Rs.1,60,000/-)

1600000.00

1600000.00

SCHEDULE NO. 5**SUNDRY DEBTORS**

(Unsecured considered goods)
Due above 6 months
Kukreja Shoe Company, Gwalior

1154720.00

1154720.00

SCHEDULE NO. 6**CASH & BANK BALANCES**

Cash in hand
(As certified by the management)

53214.07

56404.07

Balance in current A/c with :
(As per Annexure 'A')

8992.45

9097.45

TOTAL RUPEES

62206.52

65501.52

SCHEDULE NO. 7

i. LOANS (Unsecured) :
(As per Annexure - 'B')

23131474.00

23131474.00

ii. Advances recoverable
in cash or in kind or
for value to be received
(As per Annexure 'C')

20951095.05

11061700.05

TOTAL RUPEES

44082569.05

44193174.05

SCHEDULE NO. 8**DEPOSITS**

Security Deposit with M.P.S.E.

300000.00

300000.00

TOTAL RUPEES

300000.00

300000.00



SCHEDULE NO. 9**CREDITORS FOR EXPENSES**

(As per Annexure 'D')

540454.27

544454.27

SCHEDULE NO. 10**PROVISIONS**

As Per Annexure 'F'

93583.00

92096.00

SCHEDULE NO. 11**MISCELLANEOUS EXPENDITURE**

(to the extent not written off or adjusted)

1. **Preliminary Expenses**

Opening Balance

115086.00

134267.00

Less : 1/10th Written Off during the year

19181.00

19181.00

Sub Total A

95905.00

115086.00

2. **Preoperative Expenses**

Opening Balance

1802856.20

1734074.20

Add : Exp. incurred during the year (As per Annexure 'F')

94650.00

68782.00

Sub Total B

1897506.20

1802856.20

3. **Profit & Loss Account**

Opening Balance

444791.93

408809.35

Add/Loss during the year

33918.00

35982.58

Sub Total C

480709.93

444791.93

4. **Public Issue Expenses**

Opening Balance

2947583.50

2861583.50

Add : Exp. during the year

00.00

86000.00

Sub Total D

2947583.50

2947583.50

TOTAL RUPEES (A+B+C+D)

5421704.63

5310317.63

SCHEDULE NO. 12**ADMINISTRATIVE EXPENSES:**

Postage

3045.00

4098.00

Bank Charges

242.00

655.40

Stationary & Printing

9250.00

208.00

Audit Fees

4200.00

4200.00

Others

0.00

7640.18

TOTAL RUPEES

16737.00

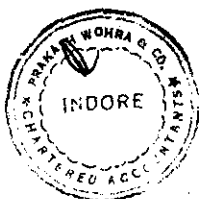
14801.58



SCHEDULE NO. 13

NOTES ON ACCOUNTS :

1. In the opinion of the Board, Current assets, Loans and advances have a value on realisation, in ordinary course of business, at least equal to the amount at which these are stated in the attached accounts and that the provision for known liability is adequate and not in excess of the amount reasonably necessary.
2. Production activities are not yet commenced. Business activities carried on in earlier years are also ceased. As such expenses incurred during the year have been transferred to pro-operative expenses.
3. None of the employee is covered under section 217 (2) (a) of the Companies Act 1956 read with Companies (particulars of Employees) Rules 1975 and subsequent amendment from time to time.
4. Previous year figures have been regrouped wherever necessary.
5. No provision has been made for interest payable/receivable on unsecured loans and security deposit during the year.
6. Balances outstanding from debtors and creditors were subject to confirmation.
7. Balance outstanding in the loan debit/credit loan accounts are also subject to confirmation.
8. The company had surrendered plot of land to MPKVN. Hence building material of Rs. 614301.30 was reported to have been shifted to some other place. Exact quantity and location details etc were not made available to us.
9. Since there is no business activity no depreciation on car has been charged.





23131474.00

3887822.29
5842090.71
5000000.00
150000.00
1000000.00
450000.00
200000.00
2201561.00
4400000.00

TOTAL RUPEES

Virtuous Finance
Bhumika Lease & Finance
Captain Lease & Finance Ltd.
Unitara Finance
Sainath Investments
Lyons Finance
United Transport Road Service
Goja Corporation
Moneycare Securities & Fin. Ser.

Loans (Unsecured)

ANNEXURE - B

8992.45

3690.00

TOTAL RUPEES

1 Dena Bank Refund A/c

Balance in Share application
Collection A/c with 1

5302.45

2962.45

860.00

480.00

1000.00

The Madhav Pura Mercantile Bank, Ahmed.
The Vismagar Nagrik Sahkari Bank
Ltd., Ahmedabad
Indian Overseas Bank, Adyar
The Karur Vysya Bank Ltd., Indore

Balance in Current A/c

ANNEXURE - A

ANNEXURE - 'C'**Advances recoverable in cash or in kind or for value to be received.**

Shri Rajkumar Arora	1155694.65
STI Finance Ltd	2150.00
Agrawal Sales Agency	50129.00
Ankit Consultancy Pvt. Ltd.	132257.00
Dipali Woodcraft	200000.00
Mansarovar Trading	480000.00
Richa Traders	220000.00
Rajeev Jasuja	61495.00
Lakhan Finance & Investments Ltd.	11475612.00
Sainath Fabricators	1181000.00
T.D.S	67891.00
Kukreja Footcare Ltd.	3561376.40
Smt. Shakuntala Garg (TDS A/C)	10652.00
B.C.C. Finance	7940.00
Sanjeev Arora	161148.00
Rohan Laminators P. Ltd.	200000.00
Systematix	3750.00
TOTAL RUPEES	20951095.05

ANNEXURE - 'D'**CREDITORS FOR EXPENSES**

Ashok Layland Investments Ser. Ltd.	147875.00
Madhya Pradesh Financial Corp.	40000.00
Orient Printing Press	216288.00
Swift Advertising P. Ltd.	104239.00
Vir Finance, Ahmedabad	22418.00
Sonic Fiscal Services Ltd.	9634.27
TOTAL RUPEES	540454.27

ANNEXURE - E**PROVISIONS**

Interest (95-96)	1914.00
Audit Fees	12400.00
Legal & Professional	10000.00
TDS Payable	69269.00
TOTAL RUPEES	93583.00

PREOPERATIVE EXPENSES**ANNEXURE - F**

Salary	44400.00
Listing Fees	50250.00
TOTAL RUPEES	94650.00



**ADDITIONAL INFORMATION FORMING AND INTEGRAL PART OF BALANCE SHEET
AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2000**

1. INSTALLED CAPACITY : NIL

2. LICENSED CAPACITY : NIL

3. ACTUAL PRODUCTION : NIL

4. QUANTITATIVE DETAILS OF TRADING ACTIVITIES DURING THE YEAR

	<u>CURRENT YEAR</u>		<u>PREVIOUS YEAR</u>	
	<u>QNT</u>	<u>VALUE</u>	<u>QNT</u>	<u>VALUE</u>
<u>OPENING STOCKS</u>	NIL	NIL	NIL	NIL
<u>PURCHASES</u>				
Hawai Chappals	NIL	NIL	NIL	NIL
<u>CLOSING STOCK</u>	NIL	NIL	NIL	NIL

5. EXPENDITURE IN FOREIGN CURRENCY NIL NIL

6. EARNING IN FOREIGN CURRENCY NIL NIL

7. REMITANCE IN FOREIGN CURRENCY NIL NIL

B.i. Breakup of Expenditure incurred on employees who where in receipt of remuneration during the year which aggregate was not less than 25000 /- per month. NIL NIL

ii. No. of employees covered as above employed for the part of the year. NIL NIL



9. Debts due by Directors or other Officers of the Company or any of them either severally or jointly with any other person or debts due from firm or private Companies respectively in which Director is a Partner or a Director or a member:-

	BALANCE AS ON 31.03.2000		OUTSTANDING AS ON 31.03.1999		MAX. AMOUNT OUTSTANDING DURING THE YEAR.	
					This Year	Prev. Year
RAJ KUMAR ARORA :	1155694.65	1155694.65	1155694.00	1155694.00		
RAJ KUMAR ARORA (TRAVELLING ADV A/C	NIL	NIL	NIL	34771.65		
KUKREJA SHOE CO:	1154720.00	1154720.00	1154720.00	1156400.00		
KUKREJA FOOTCARE LTD	3568922.40	3568922.40	3568922.40	3568922.40		
LAKHAM FIN. & INV. LTD.	11475612.00	11475612.00	11475612.00	11475612.00		
SANJEEV ARORA	161148.00	161148.00	161148.00	161148.00		

CONTINGENT LIABILITIES :-

Estimated Value of Contracts on account of Capital Commitments (net of advances) not provided for as at 31st March 2000 Amount unascertained (Previous year amount unascertained)



9. Debts due by Directors or other Officers of the Company or any of them either severally or jointly with any other person or debts, due from firm or private Companies respectively in which Director is a Partner or a Director or a member:-

	BALANCE AS ON 31.03.2000	OUTSTANDING AS ON 31.03.1999	MAX. AMOUNT OUTSTANDING DURING THE YEAR.	
			This. Year	Prev. Year
RAJ KUMAR ARORA :	1155694.65	1155694.65	1155694.00	1155694.00
RAJ KUMAR ARORA (TRAVELLING ADV A/C	NIL	NIL	NIL	34771.65
KUKREJA SHOE CO:	1154720.00	1154720.00	1154720.00	1154400.00
KUKREJA FOOTCARE LTD	3568922.40	3568922.40	3568922.40	3568922.40
LAKHAM FIN. & INV. LTD.	11475612.00	11475612.00	11475612.00	11475612.00
SANJEEV ARORA	161148.00	161148.00	161148.00	161148.00

CONTINGENT LIABILITIES

Estimated Value of Contracts on account of Capital Commitments (net of advances) not provided for as at 31st March 2000 Amount unascertained (Previous year amount unascertained)



ADDITIONAL INFORMATIONS AS REQUIRED VIDE NOTIFICATION NO. BSR 388 (E) DATED 15.05.95 .

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details :

Registration No. 6925 of 1992 State Code 10
Balance Sheet Date 31.3.2000

II. Capital raised during the year (Amount Rs. in Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

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

Total Liabilities	53501	Total Assets	53501
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Sources of Funds :-

Paid Up Capital	51343	Reserves & Surplus	Nil
Secured Loans	Nil	Unsecured Loans	1513
Share Application Money	NIL		

Application of Funds :

Net Fixed Assets	872	Investments	1600
Net Current Assets	44962	Misc. Expenditure	5422
Accumulated Losses	---		

IV Performance of Company (Amount in Rs. Thousands)

Turnover / Income	NIL	Total Expenditure	36
Profit/before tax/(Loss)	(36)	Profit	(36)
		After Tax/(Loss)	
Earning per Share (in Rs.)	NIL	Dividend	NIL

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

<u>Item Code No.</u>	<u>Product Description</u>
64022009	Footwear with Upper Straps or Thongs assembled to the sole by means of plugs made of rubber.
64041101	Rubber sole with canvass upper.
64041909	Footwear with outer soles of plastic and Uppers of textile materials.



ACCOUNTING POLICIES : (To the extent presently applicable)

(1) **SYSTEM OF ACCOUNTING :**

The Company adopts the accrual concept in the preparation of accounts .

(2) **INFLATION :**

Assets and liabilities are recorded at historical cost of the Company.

(3) **FIXED ASSETS :**

These are capitalised at cost inclusive of taxes and/or installation expenses.

(4) **DEPRECIATION :**

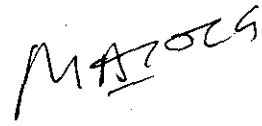
Since no assets have been put to use during the year hence no depreciation have been charged.

(5) **INVESTMENTS :**

Valued at cost

FOR PRAKASH WOHRA & CO.,
CHARTERED ACCOUNTANTS


(RAJ KUMAR ARORA)
DIRECTOR


(RAM ARORA)
DIRECTOR

PLACE : INDORE (M.P.)

Dated : 14th August 2000




(PRAKASH WOHLA)
PARTNER
M.NO. 70346

KUKSON FOOTCARE LIMITED

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE FINANCIAL YEAR 1999-2000**

[Rs. in lacs]

1999-2000

1998-99

A. CASH FLOW FROM OPERATING ACTIVITIES:

Net Profit before Tax as per P & L A/c. (0.36) (0.36)
Adjustment for:

Preliminary/Pre-Operative Exps. written off 0.19 0.20

Operating Profit before working capital changes (0.17) (0.16)
Adjustment for:

Trade and other receivables 1.10 0.02

Trade payables (0.02) 0.06

Movement in Loans 0.00 1.08 1.08 1.16

Cash generated from operations 0.71 1.00

Cash flow before extra-ordinary items 0.91 1.00
Extraordinary items:

Pre-Operative/Public Issue Expenses (0.95) (1.55)

NET CASH FROM OPERATING ACTIVITIES (0.04) (0.55)

B. CASH FLOW FROM INVESTING ACTIVITIES:

Purchase/Sale of Investments 0.00 0.00

NET CASH USED IN INVESTING ACTIVITIES 0.00 0.00

C. CASH FLOW FROM FINANCIAL ACTIVITIES:

Proceeds from issue of share capital 0.00 0.00

NET CASH USED IN FINANCING ACTIVITIES 0.00 0.00

NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) (0.04) (0.55)

Opening Balance of Cash and Cash equivalents 0.66 1.21

Closing Balance of Cash and Cash equivalents 0.62 0.66

Note : Figures in brackets represent cash outflows.

On behalf of the Board of Directors
For KUKSON FOOTCARE LIMITED

PLACE : INDORE (M.P.)

DATED : 14.08.2000

(RAJKUMAR ARORA)
Managing Director

Auditor's Report

We have verified attached Cash Flow Statement of KUKSON FOOTCARE LTD. derived from the audited financial statements and the books and records maintained by the Company for the year ended on 31st March, 2000 and 31st March, 1999 and found the same in agreement therewith.

PLACE : INDORE (M.P.)

DATED : 14.08.2000

For PRAKASH WOHRHA & CO.,
Chartered Accountants

(PRAKASH WOHRHA)
Partner.

