


Director.

**36TH
ANNUAL
REPORT
(2002-2003)**



APEX INTERTECH LIMITED

BOARD OF DIRECTORS

Mr. S K. SHARMA
Mr R. C. GARG
Mr SALIL GOPAL

SHARE TRANSFER AGENTS

Intime Spectrum Registry Limited
A-31, 3rd Floor,
Nariana Industrial Area, Phase - 1,
(Near PVR Cinema)
New Delhi - 110 028
Tel.: 51410592-93-94
Fax.: 51410591

PRINCIPAL BANKER

Bank of Baroda
New Delhi

AUDITORS

V. Sahai & Co.
New Delhi

REGD. OFFICE

Surya Kiran
19, Kasturba Gandhi Marg
New Delhi - 1100 001

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Members/shareholders are requested to correspond directly with our Share Transfer Agents at their address given above for any matter related to shares. It would save time and help us in expediting the matters.

IMPORTANT

**NO GIFTS/COUPONS WOULD BE GIVEN TO THE SHAREHOLDERS FOR
ATTENDING THE ANNUAL GENERAL MEETING**

NOTICE

NOTICE is hereby given that the THIRTY-SIXTH Annual General Meeting of the Shareholders of APEX INTERTECH LIMITED will be held as scheduled below:

Day : Saturday
Date : 27-09-2003
Time : 9:15 A.M.
Place : The Executive Club, 439, Village
Shahoorpur, P.O. Fatehpur Beri,
New Delhi-110 030

to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003 and the Profit & Loss Account of the Company for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S. K. Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

**BY ORDER OF THE BOARD OF DIRECTORS
For APEX INTERTECH LTD.**

**(S. K. SHARMA)
Director**

Place : New Delhi

Date : 18.08.2003

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and such a proxy need not be a member of the Company. Proxies in order to be effective must be filed with the Company at its Registered Office not later than 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address and for any matter concerned or related to shares to the Company or directly to our Share Transfer Agents at In-Time Spectrum Registry Ltd., A-31, 3rd Floor, Nariana Industrial Area, Phase-1, Near PVR Cinema, New Delhi-110028.
3. Members are requested to bring their copies of Annual Report and Accounts to the meeting.
4. Members wishing to ask for information about the Accounts and Operations of the Company are requested to write one week in advance to the Company at Surya Kiran, 19, K.G. Marg, New Delhi - 110 001 to the attention of Mr. S. K. Sharma, Director so as to enable the Company to keep the information ready.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 23rd September, 2003 to Saturday, the 27th September, 2003 (both days inclusive).

DIRECTORS' REPORT

The Directors hereby present the 36th Annual Report alongwith audited accounts of the Company for the year ended March 31, 2003,

FINANCIAL RESULTS

In view of continued financial stringency, the Company could not restart trading in autoparts which was suspended last year. During the year, therefore, the only revenue was on account of interest received on income tax refund, some balances written back and miscellaneous income totalling to Rs.6.50 Lacs.

After providing for depreciation, the year closed with a net loss of Rs.17.00 Lacs.

Both Mr. Deepak Singh, the former Chairman and Mr. S. K. Sharma, Director of the Company did not charge interest on their outstanding loans to the Company resulting in substantial savings in interest cost. Mr. Deepak Singh as well as Mr. S. K. Sharma have confirmed that they will not be charging any interest on their outstanding loans during the current year also.

DIVIDEND

In view of carried forward losses as well as loss for the year, the Directors recommend that no dividend be paid for the year both on Equity as well as Preference Shares.

OPERATIONS

The Company hived off its various manufacturing divisions in the previous years. The trading in auto parts was also discontinued during the last financial year 2001-02 due to working capital resource crunch. Consequently, the Company could not carry out any manufacturing or trading operations during the year under review.

One of the creditors of the Company has filed a petition with the Delhi High Court seeking winding up of the Company under section

433(e) and 434 of the Companies Act, 1956 on account of its inability to repay the debts. A notice confirming the admission of petition has been received by the Company in this regard.

DIRECTORS

There was no change in the Board of Directors of your Company during the year.

Mr. S.K. Sharma, Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

The Auditors, M/s. V. Sahai & Co., Chartered Accountants, New Delhi will retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

DEPOSITS

No deposits were invited and accepted by the Company during the year under the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION/ FOREIGN EXCHANGE EARNINGS OR OUTGO

During the year under review, the Company had no activities involving any consumption of Energy and/or utilising Technology sourced from outside/others.

Furthermore, the Company neither earned nor spent any foreign exchange during the year under review.

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employee whose particulars are required to be mentioned pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the rules framed thereunder.

AUDITORS' OBSERVATION

The observations made by the Auditors are generally self-explanatory. However, we wish to clarify as follows :-

Observation of the Auditors about 'going concern concept' is explained in Note No. 5 of Part 'B' of Annexure No. 10 of the Balance Sheet.

LISTING OF SECURITIES OF THE COMPANY

The Equity Shares of the Company are listed on Delhi (Regional), Mumbai, Ahmedabad, Jaipur and Ludhiana Stock Exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) that in the preparation of annual accounts, applicable accounting standards have been followed;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;

- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors wish to place on record their thanks to various Government departments, Company's Bankers, Shareholders and other business associates for their support and their appreciation of the devoted services rendered by the Company personnel during the year.

FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS

Place : New Delhi
Date : 18.08.2003

(S. K. SHARMA)
Director

AUDITORS' REPORT

The Shareholders,
Apex Intertech Limited,
New Delhi

We have audited the attached balance sheet of Apex Intertech Limited as at 31st March, 2003 and also the profit & loss account and 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.

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

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4(A) & (C) of the said order.

Further to our comments in the Annexure referred to in paragraph 3 above we report that:-

- (a) We have obtained all the information and explanations, which to the best of our

knowledge and belief, were necessary for the purpose of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books.
- (c) The company's balance sheet and profit & loss account dealt with by this report are in agreement with the books of account.
- (d) In our opinion, subject to Note 5 on going concern the profit & loss account and balance sheet of the company comply with accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
- (e) Based on the representations made by all the Directors and the information and duly certified explanations given to us by the company none of the Directors of the company have prima facie any disqualifications as referred to in clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Notes and the statement of Significant Accounting Policies give the information required by The Companies Act, 1956, in the manner so required and give a true and fair view:-
- (i) In the case of the balance sheet of the state of affairs of the company as at 31st March, 2003; and
- (ii) In the case of the profit & loss account of the company of the loss for the year ending on that date.
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in Paragraph (3) of Our Report of Even Date)

1. Since all the fixed assets have been disposed off by the company during the year clauses (i) and (ii) are inapplicable and have not been commented upon.
2. There were no stocks at the end of the year and therefore clauses (iii) to (vi) are inapplicable and have not been commented upon.
3. According to the information and explanations given to us, the company has taken loans from companies, firms or other parties listed in the register maintained under section 301 of The Companies Act, 1956, and/or from companies under the same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956. The rate of interest and other terms and conditions on which loans have been obtained are not prejudicial to the interest of the company.
4. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or to companies under the same management, within the meaning of section 370 (1B) of the Companies Act, 1956.
5. In respect of loans and advances in the nature of loans given by the company from time to time the repayment of principal and interest is in accordance with stipulated terms.
6. In our opinion and according to the information and explanations given to us during the course of the audit there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of stocks.
7. There were no purchase and sale of goods, materials and services, made in pursuance of contracts or arrangements required to be entered in the register maintained under section 301 of The Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in value in respect of each party.
8. As explained to us the company has a reasonable system for the determination of unserviceable or damaged stores, raw materials and finished goods. There was no closing stock at the end of the year.
9. No deposits accepted from the public were outstanding at the end of the year.
10. There were no scrap or by-products since there were no manufacturing activities during the year.
11. The company conducts an internal review of its accounts which is commensurate with its size and nature of its business.
12. The maintenance of cost records under section 209(1)(d) of The Companies Act, 1956 has not been prescribed by the Central Government for any product of the company.
13. According to the records of the company, Provident Fund and Employees' State Insurance dues have been regularly deposited during the period with the appropriate authorities.
14. According to the information and explanations given to us, no undisputed

ANNEXURE TO AUDITORS' REPORT (CONTD....)

amounts payable in respect of income tax, wealth tax, custom duty and excise duty were outstanding for a period of more than six months as at March 31, 2003 from the date they became payable.

15. According to the information & explanations given to us no personal expenses of employees or Directors have been charged to the revenue account.
16. Since the company does not own any industrial undertaking, the Sick Industrial

Companies (Special Provisions) Act, 1985 is not applicable to it.

17. There was no trade conducted during the year in the sale and purchases of goods.

For V. Sahai & Co.
Chartered Accountants

Place : New Delhi
Dated: 18.08.2003

(Mahesh Sahai)
Partner
M. No. 6730



BALANCE SHEET AS AT MARCH 31, 2003

Particulars	Annex.	As At	As At
		31.03.2003	31.03.2002
		Rs.	Rs.
LIABILITIES			
Share Capital	1	3,21,36,500	3,21,36,500
Reserves & Surplus	2	3,19,80,582	3,19,90,726
Loans	3	2,06,00,000	1,97,50,000
Current Liabilities and Provisions	4	66,06,678	71,37,827
Accounting Policies and Notes to the Accounts	10		
		<u>9,13,23,760</u>	<u>9,10,15,053</u>
ASSETS			
Fixed Assets	5	-	1,68,643
Investments	6	13,83,552	25,83,652
Current Assets, Loans & Advances	7	10,75,838	10,99,057
Profit & Loss Account		8,88,64,370	8,71,63,701
		<u>9,13,23,760</u>	<u>9,10,15,053</u>

As per our report annexed

For V. Sahai & Co.
Chartered Accountants

(Mahesh Sahai)

Partner

M. No. 6730

Place : New Delhi

Date : 18.08.2003

S.K. Sharma
R.C. Garg
Salil Gopal
Directors

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2003

Particulars	Annex.	This Year Rs.	Previous Year Rs.
INCOME			
Sales and other Income	8	6,50,507	3,06,68,358
		<u>6,50,507</u>	<u>3,06,68,358</u>
EXPENDITURE			
Opening Stocks		–	40,708
Purchases		–	13,15,908
Selling and other expenses	9	23,17,102	74,98,549
		<u>23,17,102</u>	<u>88,55,165</u>
Gross Profit		<u>(–) 16,66,595</u>	<u>2,18,13,193</u>
Less : Depreciation	35,659		
Less : Transfer from Revaluation Reserve	<u>1,585</u>	<u>34,074</u>	<u>3,92,313</u>
Profit before Taxation		<u>(–) 17,00,669</u>	<u>2,14,20,880</u>
Less : Provision for Taxation		–	2,92,000
Profit after Taxation		<u>(–) 17,00,669</u>	<u>2,11,28,880</u>
Add : Income Tax Refund		–	5,73,117
Balance Carried to Appropriation A/c		<u>(–) 17,00,669</u>	<u>2,17,01,997</u>
Accounting Policies and Notes to the Accounts	10		

As per our report annexed

For V. Sahai & Co.
Chartered Accountants

(Mahesh Sahai)

Partner

M. No. 6730

Place : New Delhi

Date : 18.08.2003

S.K. Sharma
R. C. Garg
Salil Gopal
Directors

APPROPRIATION ACCOUNT FOR THE YEAR ENDED MARCH 31, 2003

Particulars	This Year Rs.	Previous Year Rs.
Balance brought down	(-) 8,71,63,701	(-) 10,88,65,698
Transfer from Surplus/Deficit in Profit and Loss Account	(-) 17,00,669	2,17,01,997
Balance Carried to Balance Sheet	<u>(-) 8,88,64,370</u>	<u>(-) 8,71,63,701</u>

As per our report annexed

For V. Sahai & Co.
Chartered Accountants

(Mahesh Sahai)

Partner

M. No. 6730

Place : New Delhi

Date : 18.08.2003



S.K. Sharma
R. C. Garg
Salil Gopal
Directors

ANNEXURE - 1
SHARE CAPITAL

Particulars	As At	As At
	31.03.2003	31.03.2002
	Rs.	Rs.
Authorised		
Equity - 60,00,000 Shares of Rs. 10/-each.	6,00,00,000	6,00,00,000
Preference - 6,00,000 Redeemable Non Convertible Cumulative Preference Shares of Rs. 100/-each.	6,00,00,000	6,00,00,000
	12,00,00,000	12,00,00,000
Issued, Subscribed and Paid Up		
Equity - 30,00,000 Shares of Rs. 10/- each fully paid up	3,00,00,000	3,00,00,000
Less : Calls unpaid	63,500	63,500
(A)	2,99,36,500	2,99,36,500
Preference - 7,000 18% Redeemable Non Convertible Cumulative Preference Shares of Rs. 100/- each.	7,00,000	7,00,000
- 15,000 19% Redeemable Non Convertible Cumulative Preference Shares of Rs. 100/- each.	15,00,000	15,00,000
(B)	22,00,000	22,00,000
(A+B)	3,21,36,500	3,21,36,500

NOTE : Equity Shares include 7,75,000 shares issued as fully paid Bonus Shares by capitalisation of General Reserves.

ANNEXURE - 2
RESERVES AND SURPLUS

Particulars	As At 31.03.2002 Rs.	Additions Rs.	Deductions Rs.	As At 31.03.2003 Rs.
Revaluation Reserve (Fixed Assets)	10,144	-	10,144	-
Share Premium A/c	3,04,60,582	-	-	3,04,60,582
Capital Reserve	15,20,000	-	-	15,20,000
	<u>3,19,90,726</u>	<u>-</u>	<u>10,144</u>	<u>3,19,80,582</u>



ANNEXURE - 3
LOANS

Particulars	As At 31.03.2003 Rs.	As At 31.03.2002 Rs.
UNSECURED		
- Loan from - Director	1,77,50,000	-
- Others	28,50,000	1,97,50,000
	<u>2,06,00,000</u>	<u>1,97,50,000</u>

ANNEXURE - 4**CURRENT LIABILITIES & PROVISIONS**

Particulars	As At	As At
	31.03.2003	31.03.2002
	Rs.	Rs.
CURRENT LIABILITIES		
Advance against Sale of Shares	–	12,00,000
Unclaimed Dividend	89,316	89,316
Other Liabilities	53,14,351	46,40,976
PROVISIONS		
Income Tax	2,92,000	2,92,000
Retirement Benefits	9,11,011	9,15,535
	<u>66,06,678</u>	<u>71,37,827</u>

ANNEXURE - 5**FIXED ASSETS**

Particulars	Gross Value				Depre- ciation upto 31.3.2003	Net Value	
	As At 1.4.2002 Rs.	Additions Rs.	Sales/ Deductions Rs.	As At 31.3.2003 Rs.		As At 31.3.2003 Rs.	As At 31.3.2002 Rs.
Furniture/ Fixtures/ Office Equipments	9,59,041	–	9,59,041	–	–	–	1,59,151
Vehicles	12,878	–	12,878	–	–	–	9,492
Total							
- This Year	9,71,919	–	9,71,919	–	–	–	1,68,643
- Previous Year	7,45,93,810	8,288	7,36,30,179	9,71,919	8,03,276	1,68,643	

ANNEXURE - 6
INVESTMENTS

Particulars	As At	As At
	31.03.2003 Rs.	31.03.2002 Rs.
TRADE		
Unquoted		
- Apex Continental Ltd. NIL (1,20,010) Fully paid up Equity Shares of Rs. 10/-each.	-	12,00,100
- Capital in Partnership Firm	13,61,540	13,61,540
NON TRADE		
Quoted		
Fully paid Equity Shares:		
- Tamil Nadu Chemical Products Ltd. 500 shares of Rs. 10/- each Total Market Value Rs. 9,700/- (Rs. 9,700/-)	5,012	5,012
- Syndicate Bank 1700 Shares of Rs. 10/- each Total Market Value Rs. 28,475/- (Rs. 15,300/-)	17,000	17,000
	13,83,552	25,83,652

ANNEXURE - 7

CURRENT ASSETS, LOANS & ADVANCES

Particulars	As At 31.03.2003 Rs.	As At 31.03.2002 Rs.
CURRENT ASSETS		
Sundry Debtors (Unsecured) Over six months		
- Considered Good	-	50,000
Cash and Bank Balances		
Cash in hand	7,481	1,21,425
With scheduled Banks		
- Current Account	415	23,145
- Unpaid Dividend Account	89,316	89,316
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances Recoverable in cash or in kind or for value to be received	6,92,752	4,12,200
Income Tax Payments	2,85,874	4,02,971
	<u>10,75,838</u>	<u>10,99,057</u>

ANNEXURE - 8

SALES AND OTHER INCOME

Particulars	This Year Rs.	Previous Year Rs.
SALES	-	13,73,114
OTHER INCOME		
- Profit on sale of Fixed Assets	23,076	2,77,96,276
- Interest	40,252	7,19,283
- Credit balances written back	1,70,000	3,27,486
- Dividend	3,290	2,940
- Excess provisions written back	7,298	-
- Miscellaneous	4,06,591	4,49,259
	<u>6,50,507</u>	<u>2,92,95,244</u>
	<u>6,50,507</u>	<u>3,06,68,358</u>

ANNEXURE - 9
SELLING AND OTHER EXPENSES

Particulars	This Year Rs.	Previous Year Rs.
Salaries/Wages and Bonus	9,17,337	29,69,805
Provident and other funds	54,654	81,326
Staff Welfare	3,837	14,138
Travelling	3,240	43,649
Conveyance	2,03,544	2,53,682
Rent	1,44,696	4,20,168
Insurance	851	95
Repairs & Maintenance	83,496	1,14,975
Electricity & Water	98,990	2,20,359
Auditors Remuneration	-	-
- Fee	8,640	8,400
- Others	2,100	500
Professional Charges	1,90,293	4,64,020
Interest	-	22,840
Share of Loss in Sigma Enterprises	4,132	3,46,815
Amount/Debit balances written off	15,118	10,55,890
Bad debts written off	-	5,63,815
Advertisement - Others	10,964	1,811
Computer Charges	8,590	39,810
Car Expenses	1,26,367	1,54,325
Journal & Literature	14,225	20,518
Listing Fees	47,200	46,950
Meeting Expenses	18,104	19,213
Postage Expenses	61,329	49,018
Printing & Stationery	92,399	1,40,353
Photocopy Charges	13,104	17,495
Office Expenses	19,045	21,263
Security / Service Charges	1,07,290	2,06,680
Telephone Expenses	53,204	1,50,249
Miscellaneous	14,353	50,387
	23,17,102	74,98,549

ANNEXURE - 10

NOTES TO THE ACCOUNTS

PART-A

SIGNIFICANT ACCOUNTING POLICIES:

- (i) **Revenue Recognition**

All expenses and revenues are accounted for on accrual basis except dividend income which is accounted for on receipt basis.
- (ii) **Inventories**

Inventories are 'NIL'.
- (iii) **Depreciation**
 - (a) The Company follows the straight line method of depreciation (SLM) on all its fixed assets.
 - (b) Depreciation is provided at the rates prescribed in Schedule XIV to the Companies Act, 1956.
 - (c) Depreciation is charged from the date when the asset is first put to use.
 - (d) In respect of revalued assets, depreciation relating to the revalued portion is transferred from the Revaluation Reserve to the profit and loss account. If a revalued asset is sold the balance in the reserve account is transferred to the account of the asset sold.
- (iv) **Fixed Assets**

Fixed assets are stated at original cost including taxes and other incidental expenses related to acquisition, installation and construction.
- (v) **Investments**

Investments held for a long term are stated at cost.
- (vi) **Provision For Taxation**

Provision for Income Tax is made/retained on the basis of the company's own assessment and is based on contentions raised before various tax authorities.

PART-B

1. (a) The Company had issued 2,000 18% Cumulative Preference Shares of Rs. 100 each on 17.02.1998 which were due for redemption on 30.09.2000 and are yet to be redeemed.
- (b) The Company had issued 5,000 18% Cumulative Preference Shares of Rs. 100 each on 02.05.1997 which were due for redemption on 31.03.1999 and are yet to be redeemed.
- (c) The Company had issued 15,000 19% Cumulative Preference Shares of Rs. 100 each on 27.05.1996 which were due for redemption on 31.03.1998 and are yet to be redeemed.
- (d) Total dividend on Cumulative Preference Shares redeemed/redeemable till 31.03.2003 amounting to Rs. 23,04,025/- (Rs. 18,93,025/-) has not been paid or provided for.

2. Revaluation reserve was created on 31.03.1990 by revaluation of fixed assets except land, building and vehicles. Deduction from Revaluation Reserve of Rs. 10,144/- has been made out of which Rs. 1,585 /- is the additional charge of depreciation for the year on the revalued portion of fixed assets and Rs. 8,559/- on assets sold/disposed off.
3. Receivables and payables are subject to confirmation and the balance in the final accounts have been incorporated as per balance in the books of accounts.
4. (a) The Company is a partner in Sigma Enterprises having a 48% share and a capital of Rs. 13,61,540/- alongwith Delta Intertech Pvt. Ltd. (formerly Delta Overseas Pvt. Ltd.) having a 52% share with a capital of Rs. 14,75,000/-.
- (b) Share of profit/loss from Sigma Enterprises is accounted for on the basis of audited accounts of the Firm.
- (c) The Company's share of loss in Sigma Enterprises which has been debited to the profit and loss account is Rs. 4,132/- (Rs. 3,46,815/-).
5. Despite cessation of business, accumulated losses resulting in erosion of net worth and no plans for infusion of fresh capital, the accounts of the Company have been drawn as a going concern.
6. Unsecured loans include Rs. 177.50 Lacs from Mr. S.K. Sharma, Rs. 7.50 Lacs from Mr. Deepak Singh, Rs. 20.00 Lacs from Mr. Krishan Kalra and Rs. 1.00 Lac from Alpha Engineering Pvt. Ltd. The Company had received the consent from Mr. S.K. Sharma, Mr. Deepak Singh and Alpha Engineering Pvt. Ltd., not to charge any interest on their outstanding loans during the year. However, no provision has been made for interest on loan from Mr. Krishan Kalra which amounts to Rs. 12.25 Lacs including Rs. 4.20 Lacs for the current year as the company is making efforts to request Mr. Krishan Kalra to waive his claim for interest. However, if there is a negotiated settlement, provision will be made accordingly.
7. Retirement benefits - Provision on account of gratuity of Rs. 5,46,942/- (Rs. 5,89,541/-) and leave encashment of Rs. 3,64,069/- (Rs. 3,25,994/-) have been computed on the assumption that all employees have left the organisation at the end of the year.
8. Interest for financial year 2002-03 amounting to Rs. 50,400/- has not been provided on security deposit with Shriram Pistons & Rings Ltd. / Shriram Precision Engineering Industries since its recovery is doubtful. However, in the opinion of the management the security deposit of Rs. 3,60,000/- on which the above interest accrues is good for recovery and no provision is necessary.
9. **Deferred tax asset - No deferred tax assets, as required under Accounting Standard 22, have been ascertained and accounted for because in the opinion of the management there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.**

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. REGISTRATION NO.	4730	STATE CODE	55
BALANCE SHEET DATE:		31st March, 2003	
2. CAPITAL RAISED DURING THE PERIOD			-
3. MOBILISATION & DEPLOYMENT OF FUNDS		AMT./THOUSAND/RS.	
- Total Liabilities			91,324
- Total Assets			91,324
- Sources of Funds	- Paid-up Capital		32,137
	- Reserves & Surplus		31,980
	- Secured Loans		-
	- Unsecured Loans		20,600
- Application of Funds	- Net Fixed Assets		-
	- Net Current Assets		(-) 5,531
	- Investments		1,384
	- Profit & Loss A/c		88,864
4. PERFORMANCE OF COMPANY	- Turnover (including other income and adjustments)		650
	- Total Expenditure		2,351
	- Profit - Before Tax		(-) 1,701
	- After Tax		(-) 1,701
	- Earning Per Share in Rs.		(-) 0.71*
	- Rate of Dividend - %		
	- Equity		-
	- Preference		-
			<u>Code</u>
5. PRINCIPAL PRODUCTS	NIL		-

* Loss per share is loss plus current dividend on cumulative preference shares not provided.

Signatures to Annexure 1 to 10 forming part of the Balance Sheet and Profit & Loss Account.

As per our report annexed.

For V. Sahai & Co.
Chartered Accountants

(Mahesh Sahai)

Partner

M. No. 6730

Place : New Delhi

Date : 18.08.2003

S.K. Sharma

R. C. Garg

Salil Gopal

Directors

APEX INTERTECH LIMITED

(Rs. in '000')

CASH FLOW STATEMENT FOR THE PERIOD	2002-2003	2001-2002
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	(1700)	21421
Adjustments for:		
Depreciation	34	392
Profit / Loss on sales of Fixed Assets	(23)	(27796)
Finance Charges	-	-
Dividend received	(3)	(3)
Operating profit before working capital changes	(1692)	(5986)
Adjustments for:		
Trade and other receivables	(230)	1779
Inventories	-	41
Trade Payables	669	(11864)
Cash generated from operations	(1253)	(16030)
Finance charges	-	-
Direct taxes paid/refunds	117	593
Cash flow before extraordinary items	(1136)	(15437)
Extraordinary items	-	-
Net cash from operating activities	(1136)	(15437)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-	(8)
Sale of fixed assets	147	50178
Investments in other companies/firms	1200	6800
Advance against sale of Land & Building	-	(8000)
Advance against sale of shares	(1200)	1200
Dividend received	3	3
Net cash from / (used in) investing activities	150	50173
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital/share premium	-	-
Proceeds from long term borrowings (Net)	-	(32800)
Proceeds from short term borrowings (Net)	850	(2500)
Dividend paid/Dividend Tax	-	-
Finance Charges	-	-
Net cash from / (used in) financing activities	850	(35300)
Net increase in cash and cash equivalents	(136)	(564)
- Cash and cash equivalents as at 31.03.2002		
(Op. Balance) cash in hand and balance with banks	144	708
- Cash and cash Equivalents as at 31.03.2003		
(Cl. Balance) cash in hand and balance with banks	8	144

For V. Sahai & Co.
Chartered Accountants

(Mahesh Sahai)
Partner
M. No. 6730
Place : New Delhi
Date : 18.08.2003

S.K. Sharma
R.C. Garg
Salil Gopal
Directors

IMPORTANT

NO GIFTS/COUPONS WOULD BE GIVEN TO THE SHAREHOLDERS FOR
ATTENDING THE ANNUAL GENERAL MEETING

Apex Intertech Limited

Regd. Office : Surya Kiran Building,
19, Kasturba Gandhi Marg, New Delhi - 110001

L. F. No.	
No. of Shares held	

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

NAME(S) IN FULL	
FATHER/HUSBAND'S NAME	
ADDRESS AS REGD. WITH THE COMPANY	

I/We hereby record my/our presence at the Annual General Meeting of the Company to be held on 27th day of September, 2003 at 9:15 A.M. at the Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110030.

Signature of the Shareholder(s) / proxy*

1. _____ 2. _____ 3. _____

*Strike out whichever is not applicable.

NOTE : 1. Attendance Slip in original should be complete in all respect.

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

Apex Intertech Limited

Regd. Office : Surya Kiran Building,
19, Kasturba Gandhi Marg, New Delhi - 110001

L. F. No.	
No. of Shares held	

FORM OF PROXY

NAME(S) IN FULL	
FATHER/HUSBAND'S NAME	
ADDRESS AS REGD. WITH THE COMPANY	

being a member/members of Apex Intertech Limited, hereby appoint _____ or failing him/her _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 27th day of September, 2003 at 9:15 A.M. at the Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110030 and at any adjournment thereof.

Please affix
one Rupee
Revenue
Stamp

Proxy's Signature

Member's Signature

Dated: _____

NOTE : The Proxy must be returned so as to reach 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.

BOOK POST AND U.P.C.



If undelivered please return to :

APEX INTERTECH LIMITED

Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi - 110 001 (India)

Tel. (011) 23320815, 23712108