



KHATEMA FIBRES LIMITED

403-405, Vikas Deep Building District Centre Laxmi Nagar, Delhi-110092

Phone : 22422471 (8 Lines), Fax: 91-11-22422480, 22526933

Email : info@khatemafibres.com, Website: <http://www.khatemafibres.com>

		31-Mar-05	31-Mar-04
BALANCE SHEET AS AT 31ST MARCH, 2005			
SOURCE OF FUNDS			
SHARE HOLDER'S FUND			
	Sch		
a. Share Capital	1	114,000,000.00	79,973,000.00
b. Reserves & Surplus	2	<u>97,587,744.09</u>	<u>77,897,077.35</u>
		211,587,744.09	157,870,077.35
LOANS			
Secured	3	339,832,258.46	309,187,522.76
		21,017,513.00	19,396,971.00
DEFERRED TAX LIABILITY/(ASSETS)			
		<u>572,437,515.55</u>	<u>486,454,571.11</u>
TOTAL			
APPLICATION OF FUNDS			
FIXED ASSETS			
	4		
a. Gross Block		423,111,162.31	354,176,673.18
b. Less: Depreciation		<u>195,261,308.24</u>	<u>168,364,165.35</u>
Net Block		227,849,854.07	185,812,507.83
CURRENT ASSETS, LOANS & ADVANCES			
a. Current Assets			
i) Interest Accrued on Investment		0.00	0.00

ii) Inventories	5	257,156,215.56	195,108,920.94
iii) Sundry Debtors	6	126,582,500.14	133,881,999.11
iv) Cash & Bank Balances	7	20,657,852.25	20,559,525.42
b. Loans & Advances	8	404,396,567.95	349,550,445.47
TOTAL		<u>37,706,473.20</u>	<u>12,264,290.42</u>
		442,103,041.15	361,814,735.89
c. Deduct : Current Liabilities & Provisions	9	97,515,379.67	61,172,672.61
NET CURRENT ASSETS		344,587,661.48	300,642,063.28

TOTAL

572,437,515.55

486,454,571.11

Notes forming part of the accounts 15
 NOTE: Schedules 1 to 15 form part of the accounts.

AUDIT REPORT

In terms of our Report of even date attached for Seth & Associates Chartered Accountants

R.C.Rastogi
 Chairman & Managing Director

Manju Rastogi
 Director

Ashok Seth

Adesh Jain

Manoj Kr. Singh

Date: 20th June 2005

Partner
 M.No 016730

V.P. (Finance)
 Company Secretary

Place: Khatema

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2005

INCOME		Sch		
Sales (net of returns)			817,043,907.84	
Less Excise Duty			<u>1,407,321.00</u>	
Interest Income (TDs Deducted Rs1,55,232 /- Pr Yr 2,80,188/-)			815,636,586.84	734,030,616.80
Other Income			755,936.00	<u>41,707,765.00</u>
Excess Provisions Written Back			213,743.38	692,322,851.80
Increase / (Decrease) in Closing Stock	14		0.00	1,400,750.00
			10,368,545.46	208,918.88
				0.00
				-550,277.93
TOTAL			<u><u>826,974,811.68</u></u>	<u><u>693,382,242.75</u></u>
 EXPENDITURE				
Material Manufacturing & Operating Expenses		10	637,759,016.80	532,324,844.59
Personnel		11	23,692,110.00	20,392,462.00
Sales & Administration		12	51,605,791.05	48,534,754.37
Provision for Doubtful Debtors & Advances			45,256.81	545,533.69
Amounts Written Off			662,442.37	332,347.63
Loss on Sale of Fixed Assets			<u>306,277.14</u>	0.00
Sub Total			<u>714,070,894.17</u>	<u>602,129,942.28</u>
Profit Before Depreciation, Interest & Tax			112,903,917.51	91,252,300.47

Bank & Finance Charges	13	50,687,328.17	47,987,492.43
Profit Before Depreciation & Tax		<u>62,216,589.34</u>	<u>43,264,808.04</u>
Depreciation		29,660,522.25	29,166,116.86
Net Profit for the year		<u><u>32,556,067.09</u></u>	<u><u>14,098,691.18</u></u>
Previous Year Adjustment (Net) Dr/(Cr)		-1,182,803.65	0.00
Provision for Deferred Tax Liability/(Assets)		1,620,542.00	1,395,954.00
Provision for current Income Tax		<u>12,427,662.00</u>	<u>3,666,317.00</u>
Balance Profit brought Forward from last year		19,690,666.74	9,036,420.18
Less Transferred to General Reserve		11,714,467.35	2,678,047.17
Net Profit Transferred to Balance Sheet		8,317,390.00	0.00
		23,087,744.00	11,714,467.35

Notes forming part of the accounts 15

AUDIT REPORT

In terms of our Report of even date attached for Seth & Associates Chartered Accountants

R.C.Rastogi
Chairman & Managing Director

Manju Rastogi
Director

Ashok Seth
Partner
M.No 016730

Adesh Jain
V.P. (Finance)
Manoj Kr. Singh
Company Secreeta

Date: 20th June 2005
0.00