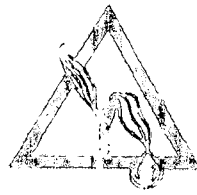


7th Annual Report



Amar Alcoholic Limited

1997-98

Amar Alcoholic Limited



Amar Alcoholic Limited

7th Annual Report 1997-98

Board of Directors :

Shri Gurusharan Singh Bhatia
Shri Anup Singh Bhatia
Shri Harmeet Singh Bhatia
Shri O.P. Gupta
Shri Avinash Bokil
Shri S. C. Natu

Chairman

Managing Director

Director

Director

Nominee Director, SICOM Ltd.

Nominee Director, IREDA

Bankers :

Oriental Bank of Commerce
Kingsway, Nagpur-440 001

Shikshak Sahakari Bank Ltd.
Central Avenue, Nagpur. 400018

Auditors :

Khatri & Iyer
Chartered Accountants
117, Zal Complex, Residency Road,
Sadar, Nagpur-440001

A. G. Pimparkhede & Co.
Chartered Accountants
Dharampeth, Nagpur-440010

Works :

131/2, Navegaon, (Shahapur)
Dist. Bhandara, Maharashtra

Regd. Office :

33, Central Avenue,
Nagpur-440 018

Notice is hereby given that the 7th Annual General Meeting of Amar Alcoholic Limited will be held on Wednesday, the 30th Sept. 1998, at 11.00 a.m. at Hotel Saurabh International, near VCA Ground, Civil Lines, Nagpur.

1. To receive, consider and adopt the accounts for the year ended 31st March, 1998, the audited Balance Sheet as at 31st March, 1998 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harmeet Singh Bhalia who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote instead of himself and the proxy need not be a member.
2. Members are requested to notify immediately any change in their addresses to the Company quoting their folio number.
3. Members are requested to bring their copies of the Annual Report at the meeting.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 22nd September 1998 to 30th September 1998 (both days inclusive)

By Order Of The Board Of Directors

Gurusharan Singh Bhatia
Chairman

Nagpur, 20th July 1998

Amar Alcoholic Limited**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the 7th Annual Report together with Audited Accounts for the year ended 31st March 1998.

FINANCIAL RESULTS

The financial results of the Company for the year 1997-98 are as follows :

	(Rs. in lacs)
	1997-98
Total Income	405.74
Profit/(Loss) for the year	(117.91)
Profit/(Loss) carried to balance sheet	(186.51)

REVIEWS OF OPERATIONS

During the year under review the Company achieved a turnover of 405 lakh as against Rs. 124 lakh during the last year, showing an increase of over three times. However, the profit margins are under strain due to heavy taxation and competition from manufacturers using molasses as a raw material. The order position of the Company is satisfactory and leading Companies of India are buying its alcohol, which is of world standard.

DIVIDEND

Since the company has not earned profit, it can not recommend any dividend for the year.

FIXED DEPOSITS

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies act, 1956 and the rules made there under.

PROMISES Vs. PERFORMANCE

As required under Clause 43 of the Listing Agreement with the Stock Exchanges, the comparison of the actuals vis-a-vis the projections for 1997-98 as given in the Prospectus are as under.

	(Rs. in Lacs)	
	Projections	Actuals
Sales & Other Income	630	405.74
Profit (Loss) after Tax	119.90	(117.91)
Share Capital	502	502
Dividend	15%	Nil

Amar Alcohol Limited

The variations in the projections & performance is attributed to the Government policy of high duty structure which makes it difficult to compete with other manufacturers using molasses as a raw material.

However at present the conditions are improving and order book position is satisfactory. Export market is also being tapped. The company is also striving to get permission from the State Government to manufacture ENA from molasses.

DIRECTORS

In terms of Article 21 of the Articles of Association, Mr. Harmeet Singh Bhatia would retire at the forthcoming annual General Meeting, and being eligible, offer themselves for reappointment.

AUDITORS

M/s. Khatri & Iyer and M/s. A.G. Pimparkhede & Co., Auditors of the Company will retire on conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF THE EMPLOYEES

During the year under review, none of the employees of the company have received remuneration in excess of limits specified in Section 217 (2A) of the Companies Act.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information as per section 217 (1) (e) of the Companies act, 1956, read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 1988 has been given separately in the Annexure-A to this Directors' Report.

INDUSTRIAL RELATIONS

The Board of Directors are pleased to record their sincere appreciation of the devotion and sense of commitment shown by the employees at all levels of operations of the company during the year. During the year relations between employer and the employees, at all levels were cordial.

ACKNOWLEDGEMENT

Your Directors express their thanks and record appreciations for the co-operation they have received from various Government authorities, financial institutions, bankers, suppliers and customers of the company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

GURUSHARAN SINGH BHATIA
Chairman

NAGPUR.
JULY 20, 1998