SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

Annual Report 1997-98

AMZEL AUTOMOTIVE LIMITED

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

AMZEL
Automotive Limited

CONTENTS

BOARD OF DIRECTORS	2
NOTICE OF MEETING	3-6
DIRECTORS' REPORT	7-9
AUDITORS' REPORT	10-12
BALANCE SHEET	13
PROFIT & LOSS ACCOUNT	14
SCHEDULES TO ACCOUNTS	15-25
CASH FLOW STATEMENT	26-27

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

AMZEL
Automotive Limited

BOARD OF DIRECTORS

SALEEM FAZELBHOY	CHAIRMAN & MANAGING DIRECTOR
M. R. SHROFF	DIRECTOR
F.A.A. JASDANWALLA	DIRECTOR
S. K. DIWANJI	DIRECTOR
RANJAN S. SANGHI	DIRECTOR

BANKERS

CANARA BANK

SOLICITORS

DESAI & DIWANJEE, MUMBAI

AUDITOR

R. V. SHAH
Chartered Accountant
Mumbai.

REGISTERED OFFICE

225, A-Z Industrial Estate,
Ganpatrao Kadam Marg,
Lower Parel,
MUMBAI - 400013.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

AMZEL
Automotive Limited

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of Amzel Automotive Limited will be held at the Registered Office of the Company at 225, A-Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013 on Tuesday the 11th August, 1998 at 11.00 a. m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March , 1998 and the Profit and Loss Account for the year ended on that date and Reports of Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March , 1998.
3. To appoint a Director in place of Mr . F.A. A. Jasdanwalla , who retires by rotation and being eligible , offers himself for reappointment.
4. To appoint Auditor to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration .

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution.

AS A SPECIAL RESOLUTION

- "RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 Schedule XIII and any other applicable provisions of the Companies Act, 1956 Mr. Saleem Fazelbhoy, Chairman and Managing Director of the Company be and is hereby re-appointed as Managing Director of the company for a period of Five Years with effect from 1.4.1999 to 31.3.2004 upon the terms and conditions set out in the Draft Agreement, placed before the meeting and initialled by Mr. Ranjan S. Sanghi, Director of the company, for the purposes of identification which agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of agreement in such manner as may be agreed between the Directors and Mr. Saleem Fazelbhoy."

Regd. Office
225, A-Z Industrial Estate,
Ganpatrao Kadam Marg,
Lower Parel,
MUMBAI - 400013.

BY ORDER OF THE BOARD
AMZEL AUTOMOTIVE LIMITED

SALEEM FAZELBHOY
CHAIRMAN & MG. DIRECTOR

Mumbai, dated 25th June, 1998

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 the proxy need not be a member of the company. The Proxy, in order to be effective must be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

2. The Explanatory Statement pursuant to Sec.173(2) of the Companies Act, 1956 in respect of the *special business as set out above is annexed hereto*

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday the 22nd July, 1998 to Tuesday, the 11th August. 1998, both days inclusive. Revised

4. The dividend on equity shares as recommended by the Directors for the year ended 31st March, 1998 if declared at the meeting will be payable to those members whose names stand in the Register of Members of the Company on 11th August, 1998 to the mandates.

5. Members are requested to notify immediately change of address if any, to the company at its Registered Office.

6. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends upto financial year ended 31st March 1994 have already been transferred to General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said periods may claim the same by submitting an application in Form No. 11 to the Registrar of Companies, Maharashtra.

7. Shareholders holding shares in identical order of names in more than one folio are requested to write to the company enclosing their Share Certificates to enable the company to consolidate their holdings in one folio.

8. Members are requested to quote ledger folio numbers in all correspondence with the company.

ReportJunction.com

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS

ITEM NO.5

The term of office of Shri Saleem Fazelbhoy, the Managing Director of the company expires on 31.3.1999. The Board of Directors proposes to re-appoint him as Managing Director of the Company for a period of five years from 1st April, 1999 to 31st March, 2004.

The Draft Agreement to be entered into between the Company and Shri Saleem Fazelbhoy contains the following terms and conditions :

(a) SALARY

Rs.25,000 per month from 1st April, 1999 in the grade 25,000 - 5,000 - 50,000

(b) COMMISSION

Subject to the provisions of Section 198 and section 309, commission to be paid which shall not exceed five percent of the company's net profits.

(c) HOUSING

He will be provided with a Company accommodation. The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per the Income-tax Act, 1962.

(d) MEDICAL REIMBURSEMENT

Expenses incurred for self and family .

(e) LEAVE TRAVEL CONCESSION

For self and family once in a year in accordance with the Company's Rules.

(f) CLUB FEES

Fees of Club subject to a maximum of two Clubs

(g) PERSONAL ACCIDENT INSURANCE

Of an amount the premium of which shall not exceed Rs.4,000 per annum.

(h) USE OF CAR AND TELEPHONE

Car for use of Company's business and telephone at residence will not be considered as perquisites.

(i) OTHER BENEFIT

1. Leave with full pay and allowances as per rules of the company but not exceeding one month's leave for every 11 months of service.
2. Reimbursement of entertainment expenses actually and properly incurred for the business of the company.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

(j)

1. The Agreement cancels and supercedes all prior agreement between the parties.
2. The terms and conditions of the appointment may be varied, altered, increased, enhanced or widened from time to time by the Board subject to the provisions contained in Schedule XIII to the Companies Act, 1956 as amended from time to time.
3. He shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committee thereof.
4. He shall give an undertaking to the company that he shall not so long as he remain as a Director of the company become interested or otherwise concerned directly or through his relatives in any selling agency of the Company without the prior approval of the company and the Central Government, wherever applicable.
5. The appointment and the remuneration payable shall be subject to the approval of the shareholders in the General Meeting.

(k) The Agreement may be terminated by either party giving six months notice.

The above may be treated as an abstract of the terms of the appointment pursuant to section 302 of the Companies Act, 1956.

Except Shri Saleem Fazelbhoy, no other Director is interested in the above resolution.

ReportJunction.com

BY ORDER OF THE BOARD
AMZEL AUTOMOTIVE LIMITED

SALEEM FAZELBHOY
CHAIRMAN & MG. DIRECTOR

Mumbai, dated 25th June, 1998

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1998

To :

The Members

Your Directors have pleasure in presenting the Twentieth Annual Report on the business and operations of the company and the Audited Accounts for the year ended 31st March, 1998.

1. **FINANCIAL RESULTS ;**

	Year ended 31.3.1998 Rupees	Year ended 31.3.1997 Rupees
Profit for the year before taxation	94,98,436	57,34,343
Add : Credit relating to previous year	24,68,277	NIL
Profit before Taxation	119,66,713	57,34,343
Less: Provision for Taxation	50,72,574	20,43,254
Profit available for Appropriation	68,94,139	36,91,089
APPROPRIATION		
Proposed Dividend	30,00,000	12,00,000
Corporate Dividend Tax	3,00,000	1,20,000
Transfer to General Reserve	35,94,139	23,71,089
	68,94,139	36,91,089

2. **DIVIDEND**

Taking into consideration the working results of the company your Directors recommend dividend at the rate of 50% i. e. Re.5 per share for the year ended 31.3.1998 amounting to Rs 30,00,000/-

3. **OPERATING RESULTS**

The Company's sales turnover has increased from Rs.14.06 crores to Rs.15.53 crores registering a growth of 10.45% This was commendable in a year when the automobile market experienced a slowdown.

There was a drop in the Export Sales as a result of low demand in the U.K. for leather jackets.

The Profits from the company's operations have shown growth due to better margins and strict control over costs. Besides, certain claims pertaining to the previous year from our principals have materialised in the year under review. The benefits from opening new branches to intensify the company's operations is also showing better results.

4. **FUTURE PROSPECTS**

The Company expects to maintain the growth of turnover in the current year.

Barring unforeseen circumstances the profitability of the company will be better in the ensuing year. However, it must be mentioned that our Principals M/s. Exide Industries Ltd. have expressed the possibility of reducing the sales territory given to us. In case this happens it would reduce the sales volume.

www.reportjunction.com