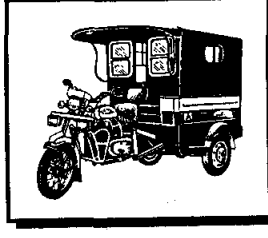
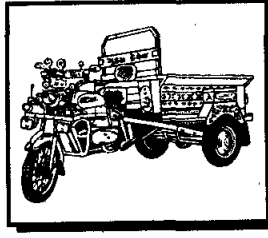
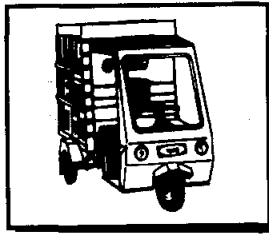


# The Best Now Becomes Even Better

## ELEVENTH ANNUAL REPORT 1998-1999



**ATUL**  
**AUTO LTD.**





# ATUL AUTO LTD.

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## **BOARD OF DIRECTORS**

Mr. Chandra J. J.	Chairman and Managing Director
Mr. Jogalekar Shriharsh S.	Vice Chairman
Mr. Patel Mahendra J.	Executive Director
Mr. Chandra Harish J.	Director
Mr. Kukreja Rajendra S.	Director
Mr. Dhruva Rajesh H.	Director

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## **AUDITORS**

M/s. PUROHIT & Co. Chartered Accountants, Jamnagar.

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## **BANKERS**

State Bank of India  
Citizen Co-operative Bank Ltd.  
The Laxmi vilas Bank Ltd.  
State Bank of Saurashtra

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## **REGISTERED OFFICE :**

Survey No. 86, Plot Nos. 1 to 4,  
N. H. 8-B, Shapar (Veraval).  
Rajkot - 360 002.

## **CORPORATE OFFICE :**

Jimmy Tower, Gondal Road,  
Opp. Swaminarayan Gurukul,  
Rajkot - 360 002.

# ATUL AUTO LIMITED

Regd. Office : Survey No. 86, Plot No. 1 to 4, N. H. 8-B,  
Shapar (Veraval). Rajkot - 360 002.

## NOTICE

Notice is hereby given to the members of ATUL AUTO LIMITED that Eleventh Annual General Meeting of its members shall be held on 30th September 1999 on Thursday at 4-00 P.M. at Registered Office of the Company - at : Survey No. 86, Plot No. 1 to 4, N. H. 8-B, Shapar (Veraval). Rajkot - 360 002. to transact following business.

- (1) To Receive, consider and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account as at and for the year ended on 31st March, 1999 and Auditors' Report thereon.
- (2) To appoint director in place of Shri Chandra Jayantilal J. who retires from office by rotation and being eligible offers himself for re appointment.
- (3) To appoint director in place of Shri Chandra Harish J. who retires from office by rotation and being eligible offers himself for re appointment.
- (4) To appoint auditors in place of M/s. Purohit & Co., Chartered Accountants, who retires at the end of ensuing Annual General Meeting and to fix their remuneration.
- (5) To declare dividend.

## NOTES :

- a. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. The instrument of proxy should however be deposited at the registered office of the Company not less than fourty eight hours before the commencement of the meeting.
- b. Audited statement of accounts, Auditors' and Directors' report thereon for the period ended on 31st March, 1999 are enclosed herewith.
- c. The members are requested to intimate any change of their address etc. immediately to the share department quoting their folio no. at the registered office of the Company.
- d. The dividend, if declared, will be paid on or after the 28th October, 1999 to the members so entitled whose name appear in the register of members as on 28th October, 1999.

By order of the Board

At : RAJKOT  
Dated : 1st July, 1999.

**PATEL MAHENDRA J.**  
DIRECTOR

# ATUL AUTO LIMITED

## DIRECTORS' REPORT

To,

THE MEMBERS OF  
ATUL AUTO LIMITED

Your directors are pleased to present Eleventh Annual Report of the company together with audited accounts for the year ended on 31st March, 1999 and Auditors' Report thereon.

### 1. FINANCIAL RESULTS :

PARTICULARS	For the Year Ended on	
	31/03/99	31/03/98
Profit before depreciation	2,60,58,084	2,21,48,973
Depreciation	47,66,349	40,61,089
Profit before taxes	2,12,91,735	1,80,87,884
Income tax provisions	46,30,000	35,50,000
Income Tax of earlier years	3,81,255	4,70,855
Balance available for appropriation	1,62,80,480	1,40,67,029
Proposed dividend	26,75,760	- NIL -
Dividend distribution tax	2,67,576	- NIL -
Balance carried to balance sheet	1,33,37,144	1,40,67,029

Your directors recommend dividend @ 6% as maiden dividend of the company. During the year profits of the company before tax and depreciation has improved by 18%. During the year company has forfeited 6,40,700 equity shares of Rs. 10/- each for the paid up amount of Rs. 23,28,850/- for non payment of call despite repeated notices.

### 2. SALES AND OPERATIONS :

Sales of vehicles have almost remained stagnant during the year from 1972 to 1973 vehicles. During the year sales realization of vehicles jumped from Rs. 16,53,61,217/- to Rs. 17,06,77,011/-. During the current year sales upto the date is 643 lakhs compared to Rs. 627 lakhs of immediately preceeding previous year.

### 3. EMPLOYEE RELATIONS :

The company continued to have cordial and harmonious relations with its employees during the year.

### 4. DIRECTORS :

Sarvashri Chandra Jayantilal J. and Chandra Harish J. retire from the board of directors by rotation and being eligible offer themselves for re-appointment. You are requested to appoint directors in place of Shri Chandra Jayantilal J. and Chandra Harish J.

**5 AUDITORS :**

M/s. Purohit & Co., Chartered Accountants, auditors of the company retire at the conclusion of the ensuing General Meeting. You are requested to appoint auditors and fix their remuneration.

**6 GENERAL :**

- a. Disclosure pursuant to companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed herewith.
- b. The particulars of employees required to be furnished under section 217 (2A) of the companies Act 1956 are available at the registered office of the company on request.
- c. Your directors put on record their wholehearted gratitude to State Bank of India for its support in growth of the company. We are also thankful to the sincere efforts put by the executives, staff and workers of the company.

By order of the Board

At : RAJKOT

Dated : 29 June, 1999.

**PATEL MAHENDRA J.**  
DIRECTOR

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## ANNEXTURE TO THE DIRECTORS' REPORT

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO

#### THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS') RULES, 1988

#### 1. CONSERVATION OF ENERGY :

The company continues to take various measures for conservation of energy by regular monitoring of consumption and improved maintenance of system along with adaptation of any new and proven technology available. Some of the recent measures taken are regular monitoring of all the equipment and particularly of assembly line, Programs being implemented to reduce the internal lighting load with highly efficient lighting systems. Efforts are also being made to minimize the energy wastage in the production process the various measures taken for energy conservation have resulted in significant savings, which have been reflected in cost of production over a period of time. Total energy consumption and energy consumption per unit of production is given as per prescribed Form - A.

#### FORM - A

#### A. POWER CONSUMPTION

	<u>1998-99</u>	<u>1997-98</u>
<b>1. ELECTRICITY PURCHASED</b>		
Units	4,79,536	3,71,176
Amount (Rs.)	23,82,654	17,44,192
Rate per Unit (Rs.)	4.97	4.70

#### 2. CONSUMPTION PER UNIT OF PRODUCTION

Production in numbers	1973	1972
Unit consumed per unit produced	243	188

(Increase in unit of electricity consumed to number of units produced on account of constant development of vehicles and its model.)

#### B. TECHNOLOGY ABSORPTION

#### FORM - B

#### RESEARCH & DEVELOPMENT :

#### SPECIFIC AREAS IN WHICH R & D CARRIED OUT BY THE COMPANY

- A. Evaluation and assessment of new sources of raw materials
- B. Application of potential new raw materials for attainment of specific properties for product development.
- C. Product design and product development.
- D. Identifying areas and its implementation for in-house manufacturing of important raw materials.

**BENEFITS DERIVED AS A RESULT OF R & D.**

Decrease in cost of raw materials and better sales realization partly during the year and in future years. Our efforts will be concentrated to satisfy the stringent requirements of automobile industry & meet the national standard of product, quality & performance.

**TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION.**

New product for specific requirement in automobile industry is regularly being developed. Constant upgradation and modification in equipment to improve productivity are carried out. Due to these new models of Road King and Road Master are developed.

**FOREIGN EXCHANGE EARNINGS AND OUT GO :**

Earnings	Nil	Nil
Outgo	4,69,986/-	3,39,115/-

For and on behalf of board

At : RAJKOT  
Dated : 29 June, 1999.

**PATEL MAHENDRA J.**  
DIRECTOR

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# ATUL AUTO LIMITED

## AUDITORS' REPORT

To,  
THE MEMBERS OF  
**ATUL AUTO LIMITED**  
SHAPAR - RAJKOT.

We report that we have audited the attached Balance Sheet of ATUL AUTO LIMITED, SHAPAR - RAJKOT as at 31st MARCH 1999 signed by us under reference to this report and the relative profit and loss account for the year ended on that date which are in agreement with the books of account.

In our opinion and to the best of information and according to explanations given to us the balance sheet and profit and loss account together with the notes thereon and attached thereto give in prescribed manner the information required by The Companies Act 1956 and also give respectively true and fair view of the state of the affairs of the company as at 31st MARCH 1999 and its profit and loss account for the period ended on that date.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of accounts have been kept as required by law so far as appears from our examinations of the books.

In our opinion profit and loss account and Balance sheet comply with the Accounting Standards referred to in sub section (3C) of the Companies act, 1956.

As required by the MANUFACTURING AND OTHER COMPANIES (AUDITORS REPORT) ORDER 1988 issued by the Central Government and on the basis of such checks as we considered appropriate and according to the information and explanations given to us we further report that :-

1. The company has maintained proper records to show full particulars including the quantitative details and situation of its fixed assets. As explained to us all the assets have been physically verified by the management at reasonable intervals during the year. According to information and explanation given to us no discrepancies have been noticed on such verification as compared to the book records.
2. None of the fixed assets have been revalued during the period.
3. The finished goods, stores, spare parts and raw materials of the company have been physically verified by the management at the reasonable intervals.
4. The procedure of physical verification of the stocks followed by the management is reasonable and adequate, looking to the size and the nature of the business of the company.



5. According to the records produced before us for our verification, the discrepancies noticed on such verification between the physical stocks and book records were not material.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of the stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis in the preceding year.
7. According to the information and explanations given to us and such relevant audit checks as we deemed proper carry out, Company has not taken any loan from the Companies or other parties listed in the registered maintained under section 301 of the companies Act, 1956.
8. The company has not granted any loans to companies, firms or other parties listed in the registers maintained under section 301 of the act and to the Companies under the same management.
9. The parties whom loans or advances in nature of loans given are repaying the principal amount and interest thereon as stipulated except advances to the employees of the company, free of interest and they are regular repaying loans.
10. 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 regard to purchases of stores, raw materials, including components, plant and machinery, equipment and other assets and with regards to the sale of goods.
11. According to the information and explanation given to us, where transaction have been made with different parties, the transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies act, 1956 and aggregating during the period to RS. 50,000.00 or more in respect of each party have been made at prices which are reasonable, having regard to the prevailing market prices for such goods, materials or services where such market prices are available or the prices at which transactions for similar goods or materials have been made with other parties.
12. As explained to us, the company has a regular procedure for the determination of unserviceable damaged stores, raw materials and finished goods. Adequate provisions has been made in the account for the loss arising on the items so determined.
13. Company has not accepted any deposit within the meaning of Section 58-A of the Companies Act, 1956 and the rules framed thereunder.
14. In our opinion, reasonable record have been maintained by the company for disposal of realizable scraps and there is no sale of scraps during the year.
15. In our opinion, the company has adequate internal audit system commensurate with the size of the company and the nature of its business.