



*Excellence in Lighting*



21<sup>th</sup>  
Annual Report  
2006-07

Autopal Industries Limited

# Autopal Industries Limited



## 21<sup>st</sup> Annual Report 2006-07

### BOARD OF DIRECTORS :

**Shri I. B. Soni**

(Chairman & Managing Director)

**Shri R. L. Rawat**

(Director)

**Shri Ashok Gupta**

(Director)

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### Bankers

**State Bank of Bikaner & Jaipur**  
(C&I Division)  
S.M.S. Highway, Jaipur – 302 003

**State Bank of Patiala**  
M.I. Road, Jaipur

### Auditors

M/s Kalani & Associates  
Chartered Accountants,  
O-12, Parijat, First Floor,  
Keshav Path, Ashok Marg,  
Jaipur – 302 003

### Registered Office & Works

E-195(A), RIICO Industrial Area,  
Sanganer, Jaipur – 303 902  
(Rajasthan)

# Autopal Industries Limited

## NOTICE

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the members of AUTOPAL INDUSTRIES LIMITED will be held at the registered office of the Company i.e. E-195 (A), RIICO Industrial Area, Sanganer, Jaipur-303902 (Rajasthan) on Saturday, September 29, 2007 at 12.30 P.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance-sheet as at March 31, 2007 and Profit and Loss Account for the financial year ended on that date and the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Shri Ashok Gupta who retires by rotation and 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 fix their remuneration.

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:  
 "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder, Listing Agreement with Stock Exchanges, Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, as amended from time to time, (hereinafter referred to as the "Delisting Guidelines") and all other applicable laws, rules, regulations and guidelines and subject to such conditions and modifications, as may be prescribed or imposed by any authority while granting such approvals, consent, permission or sanction, which may be agreed to by the Board of

Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include Managing Director or any Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution), the consent of the Company, be and is hereby accorded to the Board for voluntary de-listing of the equity shares of the Company from all or any of the Stock Exchanges: Jaipur Stock Exchange Limited, Jaipur, The Delhi Stock Exchange Association Limited, New Delhi and Calcutta Stock Exchange Association Limited, Kolkata as the Board may decide."

By order of the Board

Sd/-

(I.B. SONI)

Place: Jaipur

Date: 31.08.2007 Chairman & Managing Director

### 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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing the proxy must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
3. The Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
4. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the registered office of the company during office hours on all working days between 10.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
5. The Register of Members and Share Transfer



Books of the company shall remain closed from Monday, September 24, 2007 to Saturday, September 29, 2007 (both days inclusive).

6. Members requiring information on the accounts are requested to write to the company at least seven days before the date of the meeting to enable the company to furnish the information.
7. Members are requested to bring their copies of Annual Report at the Meeting.

#### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

##### ITEM NO. 4

Clause 5 of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 permits voluntary de-listing of securities from one or more Stock Exchanges without giving any exit opportunity, if the company's shares continue to be listed at the Stock Exchanges having nationwide terminals i.e. NSE and BSE.

The approval of the members is sought to be obtained for de-listing of shares of the Company from Jaipur Stock Exchange Limited, Jaipur, The Delhi Stock Exchange Association Limited, New Delhi and Calcutta Stock Exchange Association Limited, Kolkatta. However, the Company's equity shares shall continue to be listed on the Bombay Stock Exchange (BSE), Mumbai. The proposed de-

listing would provide less paper work, administrative convenience, and savings in cost. As a part of its cost reduction measures, the Company has proposed this resolution.

The Company is issuing Special Notice of the proposed enabling resolution in one National Newspaper on all India basis mentioning that the proposed de-listing of the Company's Securities from the Stock Exchanges, as and when the same takes place, will not adversely affect the investors and that the Company's Securities will continue to be listed on BSE. The delisting will take effect after all approvals, permissions and sanctions received. The exact date on which delisting will take effect will be suitably notified at that time.

The Board recommends the resolution for approval of members.

None of the Directors of the Company is in any way, concerned or interested in the Resolution except to the extent of their shareholding in the company, if any.

By order of the Board

Sd/-

(I.B. SONI)

Place: Jaipur

Date: 31.08.2007 Chairman & Managing Director

# Autopal Industries Limited

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENTS

During the past few years, the burden of electricity cost on an average person is rising day by day. There has been growth potential for the development of highly energy efficient product viz. Compact Fluorescent Lamps (CFL). It has now been extensively used in industries, household and shops and establishments. It has been fast replacing the traditional Incandescent Bulbs in households, industries & offices alike. There is still a lot to be done to educate people, especially in the semi-urban and rural areas, of the benefits in terms of cost saving as well as better quality output that may be achieved by going in for technically superior products.

### OPPORTUNITIES & THREATS

Compact Florescent Lamps (CFL) have become one of the key energy saving products in India. This fact is well accepted by public. There is a great potential for CFL in India as well as in world market. However, the negative policy of dumping the Indian market posing a big threat to the Indian industry.

The industry has vast scope for growth of CFL industry due to increasing demand of the product as it is cost effective and efficient as compared with traditional bulbs.

### OUTLOOK

CFL is high energy saving product and is in the reach of even low-income group with its different varieties. It has the benefit of long life, high luminous and energy saving in comparison to ordinary incandescent bulbs.

In India, most public still use the ordinary bulbs especially in remote areas due to lack of knowledge. CFL in future will become the main lighting product due to its inherent benefits viz. low electricity

consumption which leads to lower electricity rates as a result of which it shall be going to reach to an unaffordable level for the general public. There has been tremendous growth potential for CFL industry in coming times.

### QUALITY, PRODUCT DEVELOPMENT AND R & D

Besides the requisite infra-structure for production as well as technical know-how, company also has the quality testing equipments, R & D Lab and product development facilities. Your company is well equipped to make quality products comparable with the best in the industry.

However, efforts in this direction are severely affected due to liquidity constraints and do not having any activity.

### EXPORTS

Since the Company is not in a position to ensure timely delivery due to absence of working capital support from banking system, Autopal is not exporting its products.

### RISKS & CONCERNS

Despite inferior quality, Chinese products are regularly dumped in the Indian market from time to time. The Indian Industry thus faces major threat from China due to its advantages of economies of scale, low financial cost and other industry friendly Government policies.

The Board for Industrial & Financial Reconstruction has, vide its order dated August 25, 2005, declared Autopal Industries Limited as a sick industrial company on the basis of financials for the year ended March 31, 2001. IFCI has been appointed as the Operating Agency (OA) to prepare a revival scheme.