



Excellence in Lighting



25th Annual Report
2010-11

AUTOPAL INDUSTRIES LIMITED



25th Annual Report 2010-2011

BOARD DIRECTORS :

Shri D. P. Gupta	Director
Shri Anup Gupta	Managing Director
Shri R. L. Rawat	Director
Shri M. D. Sharma	Director
Shri Shailander Kumar	Director

CONTENTS

	Page No.
Notice	2-5
Management's Discussion and Analysis	6-9
Corporate Governance	10-16
Directors' Report	17-20
Auditors' Report	21-24
Balance Sheet	25
Profit & Loss Account	26
Schedules	27-36
Cash Flow Statement	37
Balance Sheet Abstract & Profile	38

Company Secretary

Shri J. C. KEDAWAT

Investors' Service Cell

CHANDAN SINGH

Asst. Company Secretary
(M) 09314839976

Email : chandan@autopal.org

Bankers

Punjab National Bank (P.N.B.)

Mansarovar, Jaipur-302020

Auditors

M/s. Kalani & Associates

Chartered Accountants

O-12, "Parijat", First Floor, Keshav Path
Ashok Marg, Jaipur - 302 003

Corporate Advisors

Mahendra Khandelwal & Company

Company Secretaries

202, Prism Tower, Opp. Old Lal Kothi
Sabji Mandi Mian Gate, Tonk Road, Jaipur
(O) 0141-3296027, (M) 09828046652

Registrar & Share Transfer Agent

Beetal Financil & Computer Services (P) Ltd.

Beetal House, 3rd Floor, 99 Madangir

Behind local Shopping Centre

New Delhi - 110062

Ph. : 011-29961281, 83; Fax : 011-29961284

E-mail : beetal@beetalfinancial.com

Web-site : www.beetalfinancial.com

Registered Office & Works

E-195(A), RIICO Industiral Area, (Sanganer)

Mansarovar, Jaipur-302020 (Rajasthan)

Autopal Industries Limited

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of **AUTOPAL INDUSTRIES LIMITED** will be held at the Registered Office of the Company at E- 195 (A), RICO Industrial Area, Sanganer, Jaipur- 302020 (Raj.) on Friday, September 30, 2011 at 3.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider approve and adopt the Audited Balance Sheet as at 31st March, 2011, 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 Ratan Lal Rawat, who retires by rotation and being eligible, offers himself for re- appointment.
3. To appoint a Director in place of Shri M.D.Sharma, who retires by rotation and being eligible, offers himself for re- appointment.
4. To re-appoint M/s Kalani & Associates, Chartered Accountants bearing FRN 02776C as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the board of directors to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if though fit, to pass, with or without modification(s) **the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT Shri Dharam Pal Gupta whose term of the office as an Additional Director of the Company by the

Board of Directors and who holds office up to the date of this Annual General Meeting pursuant to the section 260 of the Companies Act, 1956 and is eligible for re-appointment of the Company has received notice in writing pursuant to the provision of Section 257 of the Companies Act, 1956 from the member of the Company proposing his candidature for the office of the director of the Company, be and is hereby appointed as a Director cum Chairman of the Company.

6. To consider and if though fit, to pass, with or without modification(s) the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Shri Shailandra Kumar whose term of the office as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting pursuant to the section 260 of the Companies Act, 1956 and is eligible for re-appointment of the Company has received notice in writing pursuant to the provision of Section 257 of the Companies Act, 1956 from the member of the Company proposing his candidature for the office of the director of the Company, be and is hereby appointed a Director of the Company, liable to retire by rotation".

By Order of the Board of Directors
Sd/-

(J. C. Kedawat)

Company Secretary

Place : Jaipur
Date : 30.08.2011

(2)

Exc

Bo

If U

A

E-

Me

Re

En



NOTES:

1. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF SUCH MEMBER. AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The duly stamped, filled and signed instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the meeting.
4. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
5. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
6. All document 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.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, the 23rd day of September, 2011 to Friday, the 30th day of September, 2011 (both days inclusive).

8. 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.
9. Members are required to bring their copies of Annual Report at the meeting.
10. Members are requested to lodge the instrument of transfer/ transmission of shares at the registered office of the company or at the office of Registrar and share Transfer Agent viz.

M/s BEETAL FINANCIAL & COMPUTER SERVICES (P) Ltd,
Beetal House,
3rd Floor, 99 Madangir,
Behind local shopping Center,
New Delhi, 110062
Ph: 011-29961281, 83; Fax: 011-29961284
E-Mail-beetal@ beetal financial.com
Web-Site:www.beetal financial.com

and to inform the company/Registrar and Transfer Agent, any change in this address immediately so as to enable the Company to dispatch any future communication at their correct address.

ANNEXURE TO THE NOTICE

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

ITEM NO. 5

Shri Dharam Pal Gupta was appointed as an Additional Director by the Board in its meeting held on June 10, 2011 pursuant to section 260 of the Companies Act, 1956. In terms of the provisions of Section 260 of the Act, Shri D. P. Gupta would hold office up to the date of the ensuing Annual

Autopal Industries Limited

General Meeting.

The Company has received a Notice in writing from a Member along with a deposit of Rs. 500/- proposing the candidature of Shri Dharam Pal Gupta for the office of Director cum Chairman of the Company, under the provisions of Section 257 of the Companies Act, 1956 (the Act).

The proposed resolution requires approval of members, as such, the above resolution stated at Item No. 5 is recommended for the approval of members by way of an Ordinary resolution.

Save and except Shri Dharam Pal Gupta, as appointee, none of the other Directors of the Company are in any way, concerned or interested in these Resolutions

ITEM NO. 6

Shri Shailandra Kumar was appointed as an

Place : Jaipur
Date : 30.08.2011

Additional Director by the Board in its meeting held on June 10, 2011 pursuant to section 260 of the Companies Act, 1956. In terms of the provisions of Section 260 of the Act, Shri Shailandra Kumar would hold office up to the date of the ensuing Annual General Meeting

The Company has received a Notice in writing from a Member along with a deposit of Rs. 500/- proposing the candidature of Shri Shailandra Kumar for the office of Director of the Company, under the provisions of Section 257 of the Companies Act, 1956 (the Act).

The proposed resolution requires approval of members, as such, the above resolution stated at Item No. 6 is recommended for the approval of members by way of an Ordinary resolution.

Save and except Shri Shailandra Kumar, as appointee, none of the other Directors of the Company are in any way, concerned or interested in these Resolutions

By Order of the Board of Directors
Sd/-

(J. C. Kedawat)
Company Secretary



Details of Directors Seeking Appointment / Re-Appointment at the Annual General Meeting

Particulars	Shri Dharam Pal Gupta	Shri Anup Gupta	Shri R. L. Rawat	Shri M. D. Sharma	Shri Shailander Kumar
Date of Birth	19/09/1937	03/07/ 1977	28/05/1954	19/11/1954	16/10/1977
Date of Appointment	10/06/2011	30/01/2009	03/12/2001	30/01/2010	10/06/2011
Qualifications	Senior Secondary	B.Sc. in Computer Application, PG Diploma in Business Management from reputed institute	Senior Secondary	Graduate in Commerce	Graduate in Commerce
Expertise in specific functional area	Rich and varied experience of over 51 years at well known in automotive components industry and in his dynamic leadership company's growth remained excellent.	Experience of over eleven years in the marketing and financial management in automotive and general lighting sector.	Rich and varied experience of over 24 years at senior level in the areas of Finance and administration looking to the experience of Mr. Rawat.	Professional experience of production management, plant/profit center operations, process management.	Rich and varied experience of over 11 years at senior level in the areas of Finance and administration looking to the experience of Mr. Kumar.
Directorships held in other public companies	NIL	Palsons Automotive P. Ltd. Autolite Marketing P. Ltd.	Mamraj Sons (Auto) Ltd.	NIL	NIL
Memberships/ Chairmanships of Committees of other public companies (includes only Audit Committee and Shareholders Grievance Committee, share transfer committee)	NIL	NIL	NIL	NIL	NIL
Number of Shares held in the Company	No. of Shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares
	1074090	888900	1200	200	NIL

Autopal Industries Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS

Industry Structure and Development :

The Country is facing severe problems of shortage of power as power consumption is increasing on account of various reasons. Conservation of energy is the need of the hour. Due to limited power resources, the burden of cost on an average person is inflating day by day, which can be addressed by using energy saving product viz. Compact Fluorescent Lamp (CFL). Urban People are continuously using the CFL as they are cost conscious and understanding the benefits of energy efficient measures.

The Government started making publicity in semi-urban and rural areas regarding the benefits of usage of CFL over traditional incandescent bulbs and it helps the industry to create new demand of the products.

Opportunities & Threats :

Opportunities :

1. Government support in form of promotion of energy efficient lights in general lamps & lighting segment.
2. Potential increase in demand of the cost efficient and energy saving lamps.
3. Anti-dumping duties on CFL is a boost for the manufacturing Companies.
4. Adding new products

Threats :

1. Increased competition both from organized and un-Organized sector.

2. Unstable raw material prices.

3. Unstable market conditions.

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 awareness about the benefits of CFL. CFL in further 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.

About the Products

Autopal is at the vanguard of Innovation and sustainability. All the lighting products are made with international quality and consumer needs in mind.

CFL

20,000 Million Rs per annum industry, which is growing at a substantial rate of 20% per annum. The Significant rise is due to its characteristic of saving energy and reducing carbon emission, which is the need of the hour and is the future.

The Indian government has taken many steps to support and help the CFL industries and is also the



biggest buyer now. The livery of anti-dumping duty is one of the major step taken by government to help boost the Indian CFL manufacturers.

LED

LED is a light source on which huge amount of money is been spent across the world in its Research & Development. The new ranges of LED Lamps & Luminaries for Domestic, Commercial and Industrial use have been introduced in the market.

The products range has been specially designed for the Indian market looking at the speed of the growth of the Indian markets and to satisfy the new latent and apparent requirements needed by Indian people in terms of Aesthetic, Efficiency, Reliability, and Durability & Services. The new launches include LED-based lighting applications such as post-top, wall-mount, step lighting. For office lighting and retail lighting, new LED-based down lighters are now available for the customers to choose from.

Electronics for the LED lamps are specially designed to suit the Indian electricity conditions. The products have been designed after passing through several simulations of the prevailing electricity situations across the country and the final product go through stringent Quality Control System

Other Products

Autopal also has a vast range of domestic & commercial lighting products like T-5, CFL luminaries, T-8 Fittings, Electronic Chokes etc in its product bucket.

Selling and Marketing Arrangements

The company is selling in 3 different marketing segments.

- **Branding :** Manufacturing CFL's for other companies in their own brand name and

supplying to them

• **Direct Sales:** In addition to this company is also supplying directly to big institutes/builders etc

• **Distributors :** The Company has distributor channel for selling its products across the Indian states. The company also has Consignee agents in few states for ex stock supplies to their distributor and dealers for that state.

Technical & Professional Staff

APIL has adequate technical and professional personnel who are looking after the production, marketing, finance and administration departments of the company, The unit APIL at the shop floor and executive level is professional managed by the competent technocrats and professionals

Quality, Product Development and R&D :

The R & D department has been equipped with the State of Art Testing and Development Instruments and equipments.

The R&D is equipped with Agilest CRO, Fluke Oscilloscope, Ballast Analyzers, various Component Testing and measuring Instruments , Magnetic Core Analyzer and selectors, LCR , Lamp Characteristic Measuring Equipments (PMS-50), Globe-Integrator etc.

The main feature is the simulation equipments, few purchased and few designed so as to simulate the different conditions of the market in the Lab environment, testing the products life cycle beforehand.

The main success of our R&D lies in the minimal replacements from the market, the credit goes to the highly qualifies R&D engineers, whose understanding of the Indian Market (Wide

Autopal Industries Limited

demographic Conditions - One side it is High Hill with snow, other side massive desert, highest density rain fall, high density population area and so on) and working the day and night out resulted in circuits suitable for all Indian conditions, thereby uniting the great country with same CFL.

Human Resource Policy

Autopal believes that continued corporate success depends upon the ability to recruit, train, deploy and retain highly talented professionals in a high performance work culture and good work ethics. The organization has a vision of developing itself into a world class organization, excelling in the filed of lighting and we are poised to achieve this through a team of well trained, self motivated and delighted employees.

Company's HR vision is to create a highly competent, people centered and professional organization and at the same time preserving the very values of the organization such as Honesty, Integrity, Fairness, Team work and positive attitude.

Employee involvement is creating an environment in which people have an impact on decision and action that affect their jobs. People are most enabled to contribute to continuous improvement and the ongoing success of their work organization.

Exports :

The Company is exploring to export its products after solving Working Capital constraints in the current F.Y 2010-11

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 due to its advantage cost and other industry friendly Government policies.

Internal Control Systems :

The Company has adequate internal control systems Commensurate with the size and activities of the organization.

Financial Review and Analysis

(Rs. in Lacs)

Particulars	2010-11	2009-10	% Change
Total Income	674.80	212.58	217.49
Profit/Loss before Interest, Depreciation & Tax	37.90	(66.75)	156.78
Financial Expenses	3.77	13.22	
Depreciation & Misc. expenses written off	32.65	34.23	
Net Profit/(Loss) before Extra-ordinary items	1.47	(114.20)	
Provision for Tax	Nil	Nil	
Extra-ordinary items/Prior period items	976.16	(255.53)	
Net Profit/(Loss) for the Year	977.63	141.32	
Profit brought forward from previous year	3082.69	(3224.02)	
Surplus/(Deficit) carried to Balance Sheet	2105.05	(3082.69)	



OPERATIONS

During the year under review, the total Income of the Company Increased to Rs.674.80 Lacs as compared to the income of Rs 212.58 Lacs for the previous year. Also, the Company earned a Net Profit of Rs.977.63 Lacs during the financial year 2010-11.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's expectations or predictions may be 'forward looking' within the meeting of applicable laws or regulations. Actual results may differ materially from those expressed or implied

Meeting of Board of Directors were held in accordance with the provisions of the Companies Act, 2013. All information as required to be made available to the Board is provided to the members of the Board well in time for discussion in the Board Meeting for taking decisions thereon. The Board of Directors of the Company is composed of the following members:

As on March 31, 2011, the Board of Directors of the Company consisted of five Directors, two of whom are the Managing Director in the whole-time employment. The remaining two are part-time Directors, with none of them being the independent directors. The composition as well as the details of the Board are given below:

Sl. No.	Name of Director	Category (Section 151)	Number of Board Meetings during the year 2010-11		Whether attended	Number of Directorships held
			Held	Attended		
1	Shri. Anup Kumar	Managing Director	8	8	Yes	1
2	Shri. R. L. Rawat	Non Executive Director	8	8	Yes	1
3	Shri. Manoj Kumar	Director	8	8	Yes	1
4	Shri. D. P. Gupta	Director	8	8	Yes	1
5	Shri. Shalendra Kumar	Non Executive Director	8	8	Yes	1