



AUTORIDERS FINANCE LIMITED

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Annual Report 1998-99



Autoriders Finance Limited

BOARD OF DIRECTORS

Praful Patel, M. P.	-	Chairman
N. Dwarkanath	-	Vice Chairman
Mukesh Patel, M. P.	-	Managing Director
B. S. Pandit	-	Nominee Director UTI
Amarish Patel, M. L. A.	-	Director
Bhupesh Patel	-	Director
T. N. V. Ayyar	-	Director
Surendra Ruia	-	Director
Manubhai Desai	-	Director

AUDITORS

M/s. Utpal Bhayani & Co.
Chartered Accountants

BANKERS

Union Bank of India

Bank of Baroda

Vijaya Bank

The Federal Bank Ltd.

The South Indian Bank Ltd.

The Catholic Syrian Bank Ltd.

REGISTERED OFFICE

4A, Vikas Centre, 104, S. V. Road,
Santacruz (West), Mumbai - 40 054.

**Autoriders Finance Limited****NOTICE**

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Members of AUTORIDERS FINANCE LIMITED will be held on Thursday, the 30th day of September, 1999 at 11.00 A.M. at the Registered Office of the Company at 4A, Vikas Centre, 104, S.V. Road, Santacruz (W), Mumbai - 400 054 to transact the following business :

1. To receive, consider and adopt the Director's Report, Audited Profit and Loss Account for the year ended 31st March, 1999 and the Balance Sheet as on that date.
2. To appoint Director in place of Mr. Amarish Patel, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mr. Manubhai Desai, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members are requested to notify change of address, if any.
3. The Register of Members and share transfer books will remain closed from Tuesday, 21st September, 1999 to Thursday, 30th September, 1999 (both days inclusive).
4. Members desiring any information about accounts at the meeting are requested to write to the Company at least 7 days in advance of the Annual General Meeting .
5. All members who have either not received or have not encashed dividends for the financial year 1995-96, 1996-97 and 1997-98 are requested to write to the Company's share department at the registered office of the Company for the issuance of the duplicate dividend warrants mentioning the relevant folio nos.

By order of the Board

MUKESH PATEL
Managing Director

Regd. Office:

4A, Vikas Centre,
104, S.V.Road,
Santacruz (W),
Mumbai - 400 054

Dated : 10th June, 1999



Autoriders Finance Limited

DIRECTORS' REPORT

To
THE SHAREHOLDERS
AUTORIDERS FINANCE LIMITED

Your Directors have pleasure in presenting the Fourteenth Annual Report together with the Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS :

	(Rs. in lacs)	
	Year ended 31 March, 1999	Year ended 31 March, 1998
Profit/ (Loss) before depreciation	(1209.13)	132.96
Less/Add : Depreciation	723.38	905.19
Net Profit/ (Loss) for the year	(1932.51)	(772.23)
Excess Provision for Taxation W-back	—	0.76
Prior Period adjustment	(419.21)	(246.83)
Balance of the Previous year	—	0.36
Transfer from General Reserve	184.83	1120.08
Balance available for appropriation	—	102.14
Proposed Dividend	—	28.55
Provision for Rent-A-Car Termination	—	73.59

OPERATIONS & PROSPECTS :

Since 1997-98 onwards the operations of the company has been consistently witnessing difficulties arising due to limited resources and adverse market conditions. Consequently, the company is now faced with sizeable operating losses and significant liabilities to banks and institutions. These liabilities are largely secured by movable and immovable properties which have been charged/mortgaged to the banks and institutions. The attempts of the company to induct a strategic partner has not succeeded and it is unlikely that the company would benefit from strategic partners induction under the present circumstances in similar line of activity.

The company has worked out a support strategy by productively utilising some of the immovable properties and utilisation of its marketing and distribution strengths. The company will be presenting the same to the banks and institutions for serving as the basis for repaying the liabilities. Considering the intense competition and increasing risk in the consumer finance markets the company expects to bring about a progressive shift in its focus from these activities in the coming months.

RESERVES :

It is proposed that Rs. 184.83 lacs to be withdrawn from General Reserve.

DISCLOSURE UNDER THE LISTING AGREEMENT :

Cash Flow statement pursuant to clause 32 of the Listing Agreement is annexed herewith as Annexure A and forming part of this Report.

COMMENTS OF THE AUDITORS :

The comments of the Auditors in their report are elaborated in B-1 of the notes to the Accounts and the directors are confident that since

the outstanding are from the group companies the same will be realised.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

Your Company has no activity relating to the conservation of energy or technology absorption. The Foreign Exchange earning was nil and the outgo was Rs. 0.86 lacs.

DIRECTORS :

Mr. Amarish Patel and Mr. Manubhai Desai, Director retire by rotation and being eligible offer themselves for reappointment.

AUDITORS :

M/s. UTPAL BHAYANI & CO., Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to reappoint M/s. UTPAL BHAYANI & CO., Chartered Accountants as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting. Your Directors recommend their reappointment.

FIXED DEPOSIT :

Your Company has not accepted any fixed deposit from public during the year under review.

PARTICULARS OF EMPLOYEES :

There are no employees covered by Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Y2K COMPLIANCE :

All efforts are being made for Y2K compliance for Hardware and Software. The inhouse Team of the company has already taken appropriate initiative in right direction. The company has reviewed the effect of Y2K on company's operations as well as financial and other data. Most of the present computer systems and software are generally Y2K compliant. The company is taking adequate steps to carry out minor replacements in the systems and modifications in the software which will be implemented well before Y2K situation arises.

ACKNOWLEDGEMENT :

Your Directors wish to thank all its Bankers, Unit Trust of India, all the Shareholders of the Company and all its customers for their continued support to the Company. They also wish to place on record their appreciation of the dedicated services of the employees of the Company.

For and on behalf of the Board of Directors

MUKESH PATEL
Managing Director

Mumbai
Dated : 10th June, 1999



Autoriders Finance Limited

ANNEXURE 'A' TO THE DIRECTORS' REPORT

CASH FLOW STATEMENT

	1998-99	(Rs. in Lacs) 1997-98
A. Cash Flow from Operating Activities :		
Net profit before tax and extraordinary items	-1932.51	-772.22
Adjustment for :		
Depreciation	723.38	905.19
Profit on sale of assets	-10.39	-2.27
Dividend	-4.33	-11.28
Interest	2154.92	2341.68
Miscellaneous expenditure (net)	394.96	13.80
Operating Profit before working Cap. changes	1326.03	2474.90
Adjustment for :		
Trade and other receivables	-826.46	478.46
Trade payables	-755.48	-414.38
Advance rentals/deposit	0.00	-409.69
Cash generated from operations	-255.91	2129.29
Interest paid	-2154.92	-2341.68
Cash flows before extraordinary items	-2410.83	-212.39
Extraordinary items	-427.52	-259.19
Net cash used in operating activities (A)	-2838.35	-471.58
B. Cash Flow From Investing Activities :		
Purchase of Fixed Assets	-7.92	-54.49
Sale of Fixed Assets	1113.40	1270.05
Sale of Investments	213.99	240.58
Dividend received	4.33	11.28
Net cash used in investing activities (B)	1323.80	1467.42
C. Cash Flow From Financing Activities :		
Proceeds from issue of share capital	0.00	-200.00
Proceeds from long term borrowings (Net)	1551.00	-437.05
Repayment of finance lease liabilities	-100.28	-352.69
Dividend paid	0.00	-28.55
Net cash from financing activities (C)	1450.72	-1018.29
Net increase in cash and cash equivalents (A + B + C)	-63.83	-22.45
Cash and cash equivalents as on March 31, 1998	92.79	115.24
Cash and cash equivalents as at March 31, 1999	28.96	92.79

For and on behalf of the Board of Directors

Mumbai
Dated : 10th June, 1999

MUKESH PATEL
Managing Director

To
The Board of Directors,
Autoriders Finance Limited,
4A, Vikas Centre, 104, S. V. Road,
Mumbai - 400 054.

We have examined the above Cash Flow Statement of Autoriders Finance Limited for the year ended 31st March, 1999. The Statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 with Bombay Stock Exchange and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated June 10, 1999 to the members of the Company.

For **UTPAL BHAYANI & CO.**
Chartered Accountants

Mumbai
Dated : June 10, 1999

UTPAL BHAYANI
Proprietor