

ceekay  
CLUTCH



**CEEKAY  
DAIKIN  
LIMITED**



**CEEKAY DAIKIN LIMITED****DIRECTORS**

PRAVINCHANDRA V. GANDHI		CHAIRMAN
HOMI C. H. BHABHA		
SHREEKANT V. MEHTA		
MR. N. P. SUBRAMANIAN	(w.e.f. 29.10.2001)	NOMINEE OF ICICI
HIDEHITO HISAKAWA	(w.e.f. 26.04.2002)	
MAHESH B. KOTHARI		MANAGING DIRECTOR
PRADEEP B. CHINAI		MANAGING DIRECTOR
AKIRA HIRAI		MANAGING DIRECTOR

**COMPANY SECRETARY**

DEEPAK N. TANNA

**DEPUTY COMPANY SECRETARY**

NARESH AGARWAL

**BANKERS**

BANK OF MAHARASHTRA  
 THE UNITED WESTERN BANK LTD.  
 THE SARASWAT CO-OPERATIVE BANK LTD.  
 THE ICICI BANK LTD.

**AUDITORS**

D. L. SHAH & CO.  
 CHARTERED ACCOUNTANTS, MUMBAI

**REGISTERED OFFICE**

PLOT NO. L - 4, M. I. D. C. INDUSTRIAL AREA,  
 CHIKALTHANA, AURANGABAD - 431 210, MAHARASHTRA.

**HEAD OFFICE**

NKM INTERNATIONAL HOUSE, 4TH FLOOR,  
 178, BABUBHAI M. CHINAI MARG, MUMBAI - 400 020.

**MANUFACTURING FACILITIES**

UNIT 1 : PLOT NO. L - 4, M. I. D. C. INDUSTRIAL AREA,  
 CHIKALTHANA, AURANGABAD - 431 210, MAHARASHTRA.  
 UNIT 2 : PLOT NO.9, UDYOG KENDRA INDUSTRIAL AREA,  
 GREATER NOIDA - 201304 (U.P.)

**REGISTRAR & TRANSFER AGENTS**

INTIME SPECTRUM REGISTRY PVT. LTD.  
 260A, SHANTI INDUSTRIAL ESTATE, SAROJINI NAIDU ROAD,  
 MULUND (WEST), MUMBAI - 400 080.



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The logo for Report Junction, featuring the word "Report" in a grey sans-serif font, a yellow diamond icon with a black arrow pointing upwards and to the right, and the word "junction.com" in a green sans-serif font. The entire logo is enclosed in a light green rounded rectangular border.



**28TH ANNUAL REPORT 2001-2002****ceekay****NOTICE**

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the members of CEEKAY DAIKIN LIMITED will be held on Saturday, 28th September, 2002 at 11.30 a.m. at the Registered Office at Plot L-4, MIDC Industrial Area, Chikalthana, P. O. CIDCO, Aurangabad - 431 210, Maharashtra, to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Directors' Report, Auditor's Report and the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2002.
2. To appoint a Director in place of Mr. Pravinchandra V. Gandhi who retires by rotation and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT Messrs D. L. Shah & Co. Chartered Accountants, Central Bldg. No. 2, Silk Bazar, Mumbai - 400 002, be and are here by reappointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to examine and audit the accounts of the Company at the various locations of the Company at periodical intervals by mutual arrangement, on such remunerations as may be mutually agreed upon between the Board of Directors and the auditors, plus reimbursement of out-of-pocket expenses incurred by them in the course of the audit".

"RESOLVED FURTHER THAT the power to determine the remuneration to the Auditors be and is hereby delegated to the Board of Directors."

**SPECIAL BUSINESS****ITEM NO.4**

To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. Hidehito Hisakawa, who was appointed as an Additional Director of the Company on April 26, 2002 pursuant to Section 260 of the Companies Act, 1956 and holds office upto the date of this Annual General Meeting in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company subject to retirement by rotation under the Articles of Association of the Company".

By Order of the Board of Directors

D. N. TANNA  
COMPANY SECRETARY

Registered Office :  
Plot L-4, MIDC Industrial Area,  
Chikalthana, Aurangabad - 431 210.  
Maharashtra.

Mumbai, 21st August, 2002



## CEEKAY DAIKIN LIMITED

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
3. Register of Members and Share Transfer Books of the Company will remain closed from 18.09.2002 to 28.09.2002 (both days inclusive).
4. A Copy each of the Directors' Report, Auditors Report and Audited Profit & Loss Account of the Company for the financial year ended 31st, March 2002, and Balance Sheet as on that date are annexed.
5. Shareholders are requested to inform the Company immediately of any change in their address.
6. The documents relating to any of the items referred to in the Notice are available for inspection at the Registered Office of the Company between 11.00 a. m. to 3.00 p.m. on any working day.
7. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed Dividends upto the financial year ended 31st March, 1995 have been transferred to the Investor Education and Protection Fund.
8. Consequent upon amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C, by The Companies (Amendment) Ordinance, 1999, now the amount of dividend remaining unclaimed for the period of seven years shall be transferred to the Investor Education and Protection Fund.

Members who have not encashed their dividend warrants, for the year 1995-96, 1996-97, 1997-98 and 1998-99 may approach the Company's Registrar & Transfer Agents, Messrs Intime Spectrum Registry Pvt. Ltd. 260A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (West) Mumbai - 400 080 for revalidating the warrants or for obtaining duplicate warrants.





**28TH ANNUAL REPORT 2001-2002****ceekay****ANNEXURE TO THE NOTICE-EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 (2) OF THE COMPANIES ACT, 1956**

As required by Section 173 (2) of the Companies Act, 1956 and in conformity with the provisions, the following Explanatory Statement sets out all material facts relating to item No. 4.

**ITEM No. 4.**

The Board appointed Mr. Hidehito Hisakawa as a Director on April 26, 2002. Under Section 260 of the Companies Act, 1956, Mr Hisakawa will hold office only upto the date of the Twenty Eighth Annual General Meeting. A Notice has been received under Section 257 of the Act from a member proposing Mr. Hisakawa's candidature for

the office of Director of the Company. Mr. Hisakawa is the Project Manager of Exedy Corporation, Japan and looks after their business for Europe and South Africa. The Board considers that the Company would be benefited by his experience / guidance and advice to the Company from time to time.

The Board recommends the resolution for approval of the Members.

None of the Directors of the Company except Mr. H. Hisakawa is concerned or interested in the resolution set out in item No.4.

By Order of the Board of Directors

D. N. TANNA  
COMPANY SECRETARY

Mumbai, 21st August, 2002.





**GEEKAY DAIKIN LIMITED****DIRECTORS' REPORT**

TO

**THE MEMBERS**

Your Directors have pleasure in presenting the Twenty Eighth Annual Report together with the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2002.

**1) FINANCIAL RESULTS:**

	2001-02 Rs. in Lacs	2000-2001 Rs. in Lacs (Amalgamated)
i) INCOME		
Sale of products & other services	7053.30	8488.25
ii) EXPENSES		
Manufacturing and other expenses	(6232.81)	(8234.64)
iii) OPERATING PROFIT (before interest & depreciation)	820.49	253.61
iv) INTEREST	(540.86)	(551.12)
v) GROSS PROFIT (before depreciation)	279.63	(297.51)
vi) DEPRECIATION	(378.57)	(370.23)
vii) PROFIT (after depreciation)	(98.94)	(667.74)
viii) PROVISION FOR DEFERRED TAX	(19.10)	--
ix) PROFIT AFTER TAX	(118.04)	(667.74)
x) Balance of profit / loss brought forward from previous year	(536.44)	323.68
xi) Transfer from Investment allowance reserve	13.76	43.83
xii) Income Tax in respect of earlier years	(35.48)	(0.49)
xiii) Balance transferred on amalgamation	--	(235.72)
xiv) Surplus / (Deficit) for the year Carried to balance sheet	(676.20)	(536.44)

**2) DIVIDEND**

The revenue account of your Company for the year has shown loss of Rs. 118.04 lacs after providing for interest, depreciation and deferred tax liability. No dividend recommendation was possible during the year under the Companies Act, in view of the extent of loss posted for the year.

**3) OPERATIONS**

Your Company's performance has been adversely affected during the year under review because of following :

- The slackness in economy and imbalance in the demand/supply.
- Decrease in production/sales of Light Commercial Vehicles, Multi Utility Vehicles as well as Tractors.
- Delay in localization of imported components and tough competitive environment at the same time sluggishness in the automotive sector.

Your Company was able to achieve operating profit of Rs. 820.49 lacs, during the current year



**28TH ANNUAL REPORT 2001-2002****ceekay**

against Rs. 253.61 lacs of the previous year. The Sales and other income for the financial year under review were Rs. 7053.30 lacs as against Rs. 8488.25 lacs for the previous financial year.

The loss after provision for tax was Rs. 118.04 lacs as against loss of Rs. 667.74 lacs of the previous year.

The production from April to July 2002-2003 as compared to the same period in 2001-2002 has been :

	<b>2002-03 (APRIL-JULY)</b>	<b>2001-02 (APRIL-JULY)</b>
CLUTCH DISC ASSLY	<b>1,99,084 Nos.</b>	2,32,687 Nos.
CLUTCH COVER ASSLY	<b>1,69,224 Nos.</b>	1,72,296 Nos.
TURNOVER	<b>Rs.2,330.80 lacs</b>	Rs. 2,336.43 lacs

**4) SALES**

The Sale of products during the year was as follows:

- A) Clutch Discs Assly. 6,25,130 Nos. (previous year 6,06,390 Nos.)
- B) Clutch Cover Assly. 5,01,530 Nos. (previous year 5,35,390 Nos.)
- C) Other Accessories Rs. 1451.55 lacs (previous year Rs. 989.00 lacs)

**5) COLLABORATORS**

Your Collaborators have continued their valuable support in technology transfer, training our personnel at their as well as your factory and for upgradation in technology. The Directors would like to place on record their appreciation for continuous patronage given by them.

**6) BANKS AND INSTITUTIONS**

The Banks have continued their assistance by giving additional working capital facilities to the Company which has been of immense help in the day to day cash flow. The term lending Institution through their Nominee Director, has been giving their fullest support. Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from both the members of the Consortium Banks as well as the term lending Institution.

**7) DIRECTORS**

Mr. Tadahiko Yoshida had been appointed Director of your Company on 12.12.2000, representing the Collaborators, M/s. Exedy Corporation, Japan. He has resigned effective April 26, 2002 and in his place Mr. Hidehito Hisakawa has been nominated. Your Directors place on record their deep appreciation for the services rendered and advice given by Mr. Yoshida from time to time during the tenure of his directorship.

Mr. Hidehito Hisakawa was appointed Director of your Company at the Meeting held on 26.04.2002 and holds office upto the date of this Annual General Meeting. He was appointed in place of Mr. Tadahiko Yoshida and being eligible is proposed to be re-appointed Director of your Company subject to retirement by rotation under the Articles of Association of the Company.

Mr. Pravinchandra V. Gandhi retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.

Ms. Sandhya Gadkari has been a Nominee Director of your Company since 27.9.1993 representing ICICI. She has resigned effective from 29.10.2001 and in her place Mr. N.P. Subramanian has been nominated. Your Directors place on record their deep appreciation for the service rendered by Ms. Sandhya Gadkari from time to time during her tenure of Directorship.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 274 of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000.

**8) QS 9000 CERTIFICATIONS**

The Directors complimented the operating Personnel of the Company for the hard work put in by them in strengthening the Company's Quality System at its plants in Noida and Aurangabad. It was noted with great satisfaction that the Company has received QS 9000 accreditation from Det Norske Veritas (DNV) on 27th September, 2001 for their Noida plant and from Bureau Veritas Quality International (BVQI) on 24th April, 2002 for their Aurangabad plant.



**CEEKAY DAIKIN LIMITED****9) DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors hereby confirm that they have.

- i) followed the applicable accounting standards in the preparation of the annual accounts.
- ii) selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for the year under review;
- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and detecting fraud and other irregularities;
- iv) prepared the accounts for financial year on a 'going concern' basis.

**10) PERSONNEL**

Industrial relations in the establishment at Aurangabad & Noida have continued to be cordial. Your Directors would like to place on record their appreciation for the contribution made by the employees at all levels for the continued growth of the Company.

**11) PARTICULARS OF EMPLOYEES**

There are no such employees, whose particulars are required to be furnished u/s 217 (2A) of Companies Act, 1956.

**12) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT-GO**

The required details are furnished in Annexure to this report.

**13) AUDITORS**

The Company's Auditors, Messrs D. L. Shah & Company, Chartered Accountants, retire and being eligible, offer themselves for reappointment as Auditors. Specific notes forming part of the accounts referred to in the Auditors' Report are self explanatory and give the complete information.

**14) DEMATERILISATION OF SHARES**

Your Company entered into an agreement with National Depository Services Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), Mumbai for dematerializing of the equity shares of the Company. The members now have an option of dematerializing the shares with NSDL and CDSL. 54.07% of the total Equity capital is held in a dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd.

**15) CORPORATE GOVERNANCE**

The amended provisions of the Listing Agreement entered into with the Stock Exchange are applicable to your Company with effect from April 1, 2002. Your Company has initiated steps for compliance with these provisions.

For and on behalf of the Board of Directors

PRAVINCHANDRA V. GANDHI  
CHAIRMAN

Mumbai, 21st August, 2002.



**28TH ANNUAL REPORT 2001-2002****ceeray****ANNEXURE TO THE DIRECTORS' REPORT**

(Additional information given in terms of Notification, 1029 of 31.12.1988 issued by the Department of Company Affairs)

**DISCLOSURES****A. CONSERVATION OF ENERGY**

The Company continues its sustained efforts on conservation of energy. The new equipments that have been installed under the expansion and Modernisation programme have been selected with a view to optimize energy consumption, the benefits of which will be available in the coming years.

being developed by the R & D Centre of the Company.

- (2) The Company has imported the technology for manufacture of Diaphragm Springs during the last several years. The Company continues to receive assistance from the Collaborators, Messrs Exedy Corporation, Japan, for development of new products, improvement in manufacturing process and quality assurance.

**B. TECHNOLOGY ABSORPTION**

- (1) The Company has fully absorbed the technology for the manufacture of several types of Clutch Discs and Cover Assemblies. New designs and improvements in manufacturing process are

**C. FOREIGN EXCHANGE EARNINGS AND OUT-GO**

The Information is contained in Note 5 (d), (e) & (f) of the Annual Report.

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