

DPI

14th
ANNUAL REPORT
1998-99

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**DECCAN BEARINGS
LIMITED**

CERTIFIED TRUE COPY
For DECCAN BEARINGS LTD.



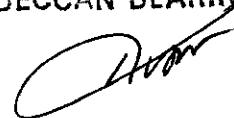
Director

Board of Directors	MR.MUKESH N.VORA MR.KIRAN N.VORA MR.H.R.GANDHI MR.C.R.DHARIAWALA
Auditors	M/S.D.V.VORA & CO. Chartered Accountants 4, Bhangwadi, Kalbadevi Road, Mumbai 400 002
Bankers	STATE BANK OF INDIA
Registered Office	315/321, Prospect Chambers, 2nd Floor, Dr.D.N.Road, Fort, Mumbai 400 001
Works	2011 - GIDC Halol, Dist.Panchmahal, Gujarat.

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CERTIFIED TRUE COPY**For DECCAN BEARINGS LTD.**

Director

NOTICE

NOTICE IS HEREBY GIVEN THAT the Fourteenth Annual General Meeting of the Members of DECCAN BEARINGS LIMITED will be held at the Registered Office at 315/321, Prospect Chambers, 2nd Floor, Fort, MUMBAI - 400 001 on Thursday, 30th September, 1999 at 3 p.m to transact the following business:

ORDINARY BUSINESS:

- 1] To receive, consider and adopt the audited Balance Sheet of the Company ~~as~~ at 31st March, 1999 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
- 2] To declare dividend on Equity Shares.
- 3] To appoint a Director in place of Mr.Mukesh N.Vora, who retires by rotation and being eligible, offers himself for re-appointment.
- 4] To appoint a Director in place of Mr.Kiran N. Vora, who retires by rotation and being eligible, offers himself for re-appointment.
- 5] To appoint Auditors and to fix their remuneration.

By Order of the Board of Directors

KIRAN N.VORA
Managing Director

Mumbai, Dated: 16th August, 1999
Registered Office
315/321, Prospect Chambers,
Dr.D.N.Road, Fort,

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 OF THE COMPANY.
- b] The Register of Members and Share Transfer Books of the Company will be closed from 23rd September 1999 to 30th September 1999 [both days inclusive] for the purpose of dividend.
- c] Dividend on Equity Shares when declared will be made payable to those members whose names appear on the Company's Register of Members on 30th September, 1999.
- d] Members intending to require information about accounts to be explained in the meeting are requested to inform the Company in writing atleast seven days in advance of the Meeting.
- e] Shareholders are requested to please bring their copies of the Annual Report with them at General Meeting.
- f] Shareholders are requested to notify change in address, if any, at the Registered Office of the Company, quoting their Folio Numbers.

DIRECTORS' REPORT

The Members,

DECCAN BEARINGS LIMITED

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

1. FINANCIAL RESULTS:	<u>31/03/99</u>	<u>31/03/98</u>
Net Profit before providing for Depreciation	43,11,372	48,52,301
Less: Depreciation	20,79,203	18,39,151
		<hr/>
Profit after providing Depreciation	22,32,171	30,13,150
Less: Provision for Tax	50,000	3,75,000
		<hr/>
Profit after Tax before Prior Period items	21,82,171	26,38,150
Add: Balance brought forward from previous year	41,78,567	36,48,511
Add/(Less): Prior Period items		
a] Excess depreciation for earlier years	0	10,271
b] Taxation for earlier years	0	(27,530)
		<hr/>
Amount available for Appropriation	<u>63,60,736</u>	<u>62,69,402</u>
	=====	=====
Appropriation:		
Proposed Dividend	3,96,667	9,91,667
Proposed Tax on Dividend	39,667	99,167
Transfer to General Reserve	10,00,000	10,00,000
Balance carried forward to Balance sheet	49,24,402	41,78,568
		<hr/>
	<u>63,60,736</u>	<u>62,69,402</u>
	=====	=====

2. DIVIDEND:

Your Directors recommend dividend for the year ended 31st March, 1999 at the rate of 2% on 19,83,334 Equity Shares of Rs.10/- each, fully paid. The Dividend, if approved by members, will absorb Rs.4.36 lacs [Inclusive of Dividend Tax of Rs.0.40 Lacs].

3. PRESENT OPERATIONS:

The ongoing domestic industrial recession continued to adversely affect the Company's business. As a result, there is drop in the Company's sales and profitability.

4. DIRECTORS:

Mr. Mukesh N. Vora and Kiran N. Vora Directors retire by rotation and being eligible, offer themselves for re-appointment.

5. AUDITORS:

The Auditors D.V.Vora & Co.hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1) of the Companies Act, 1956.

6. PARTICULARS OF EMPLOYEES:

There were no employees drawing remuneration falling under the provision of Section 217(2A) of the Companies Act, 1956.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as per Section 217(i)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 has been given in the Annexure-II and form part of this report.

8. APPRECIATION:

Your Directors wish to convey their sincere thanks to State Bank of India, Gujarat Industrial Development Corporation, the valued dealers and customers for their continued support and assistance to the Company. The Directors also place on record their appreciation for the sincere work of Company's personnel at all levels during the year.

For and on behalf of the Board of Directors

MUKESH N.VORA
Chairman

Mumbai, Dated:16th August, 1999

ANNEXURE - I

Statement of Particulars under Companies [Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A] CONSERVATION OF ENERGY:

- i] Apart from special focus on energy conservation during the selection of equipment and progress for the plant, a lot of efforts are being made as an on-going process to conserve energy. Some of the measures taken include efficient management of compressed air, better house keeping to reduce wastage of energy due to idle running of machines, fans etc.
Energy conservation is also being cultivated as an attitude amongst employees.

- ii) Total energy consumption and energy consumption per unit of production as per prescribed Form - A :
Not relevant: The Company is not covered under the list of specified industries.

B] (i) RESEARCH & DEVELOPMENT (R & D)

1. **SPECIAL AREAS IN WHICH R & D CARRIED OUT BY THE COMPANY:**
R & D activity covers applicants development of new sizes specifically developed for customer requirements.
2. **BENEFITS DERIVED AS A RESULT OF THE ABOVE R & D**
Enlargement of product range and contribution to import substitution programme of customers.
3. **FUTURE PLAN OF ACTION:**
To cover more users/industries under the fold of application developed programme.
4. **EXPENSES ON R & D**

Development activity being a part of the overall operation, its expenses are not separately accounted for.

(ii) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

During the year on-going product upgradation in terms of quality and productivity was maintained using in house technology which have resulted in increased demand for Company's range of product in the local and export market. No imported technology was absorbed and the Company's products continue to enjoy international acceptance.

C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Foreign Exchange Earnings [Export of Goods(F.O.B.)]	: Rs.5,03,35,599	(Rs.85,98,895)
2. Foreign Exchange Outgo	:	
i) Capital Goods	: Nil	
ii) Trading Goods	: Rs. 30,39,642	(Rs.25,18,129)
iii) Travelling	: Rs. 51,640	(Rs. 20,074)

For and on behalf of the Board of Directors

MUKESH N VORA
Chairman

Mumbai, Dated:16th August, 1999

AUDITORS' REPORT

TO,

THE MEMBERS OF
DECCAN BEARINGS LIMITED
MUMBAI.

We have audited the attached Balance Sheet of DECCAN BEARINGS LIMITED as at 31st March, 1999 and also the Profit and Loss Account of the Company for the year ended on that date, annexed thereto, and we report as follows:

- 1] As required by the Manufacturing and Other Companies [Auditor's Report] Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order, on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of our audit:
- 2] Further to our comments in the Annexure referred to in paragraph (1) above:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit:
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
 - (c) The Balance Sheet and the Profit & Loss Account dealt with by the Report are in agreement with the Books of Account;
 - (d) In our opinion and to the best of our information and according to the explanation given to us, the Profit & Loss account and the Balance Sheet dealt with by this report comply with the accounting standard referred to in sub-section 3C of Section 211 of the Companies Act, 1956
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view.
- [1] In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 1999, and
- [2] In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.

FOR D.V.VORA AND COMPANY
Chartered Accountants

[D.V.VORA]
Proprietor

Mumbai, Dated: 16th August, 1999