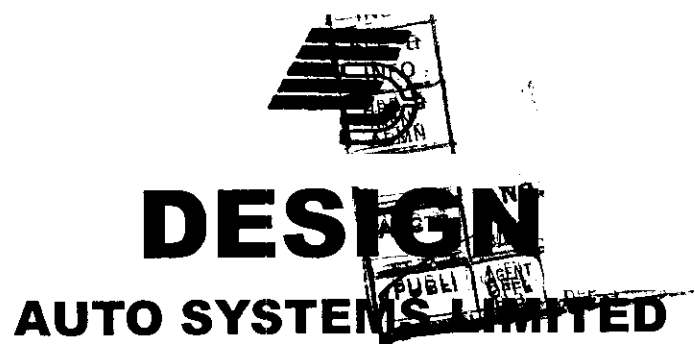


# ANNUAL REPORT 1999 - 2000



**DESIGN AUTO SYSTEMS LTD.**

<b>BOARD OF DIRECTORS</b>	:	SARVESH GARG Chairman & Managing Director
		RAMESH K. PATODIA
		R. S. TARE Tech. Director
		RITA S. GARG
<b>AUDITORS</b>	:	MAHESHWARI & GUPTA Chartered Accountants Indore (M. P.)
<b>BANKERS</b>	:	BANK OF BARODA A. B. Road, Indore (M. P.)
		CORPORATION BANK M.G. Road, Indore (M. P.)
		SYNDICATE BANK Kanadia Road, Indore
<b>REGISTERED OFFICE</b>	:	Plot No. 58, Sector No. 1, Pithampur Distt. Dhar (M. P.)
<b>UNIT I</b>	:	Plot No. 58, Sector No. 1, Pithampur Distt. Dhar (M. P.)
<b>UNIT II</b>	:	Plot No. 25, Sector No. 1, Pithampur Distt. Dhar (M. P.)
<b>REGISTRAR &amp; TRANSFER AGENT</b>	:	ANKIT CONSULTANCY PVT. LTD. Alankar Point, Geeta Bhawan Chauraha, Indore (M. P.)

**DESIGN AUTO SYSTEMS LTD.**

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**NOTICE**

Notice is hereby given that the 13th Annual General Meeting of the company will be held on 30th September, 2000 at 9.00 am at the Registered Office of the Company at Plot No. 58, Sector-1, Industrial Area, Pithampur, Distt. Dhar (M. P.) to transact the following business :

**ORDINARY BUSINESS :**

1. To receive consider and adopt the Profit and Loss account for the year ended 31st March, 2000 and the Balance Sheet as at that date together with the Auditors and Directors reports thereon.
2. To appoint a Director in place of Shri Ramesh K. Patodia who retire by rotation and being eligible offer himself for reappointment.
3. To appoint Auditors to hold office upto the conclusion of the next Annual General Meeting and fix their remuneration. The retiring auditors M/s. Maheshwari & Gupta, Chartered Accountants, Indore are eligible for reappointment.

**SPECIAL BUSINESS :**

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

RESOLVED that pursuant to clause (d) of subsection (i) of Section 293 of Companies Act, 1956 the consent of the company be and is hereby accorded to the Board of Directors to borrow for and on behalf of the Company money in any manner from time to time as they may in their absolute discretion think fit and without prejudice to the generality thereof by way of loans, advances, credits, acceptance of deposits, or otherwise from any Bank or any financial institutions or other person or persons and whether the same be unsecured or secured and if secured, whether by way of mortgage, charge, hypothecation, pledge of any of the Company's assets, effects and properties, including uncalled capital, stocks in trade (including raw materials, stores, spare parts and components in stock or in transit) notwithstanding that the moneys so borrowed by the Company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the company and its free reserves i. e. reserves not set apart for any specific purpose provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed Rs. 50.00 Crores only.

By order of the board

**SARVESH GARG**

(Managing Director)

Place : Indore

Date : 10th August, 2000

**DESIGN AUTO SYSTEMS LTD.****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 and the proxy need not be a member of the company. 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.
2. Members/Proxies should bring the attendance slip, duly filled in for attending the meeting.
3. An explanatory statement pursuant to Section 173 (2) of the Companies Act 1956 in respect of item No. 4 of the above notice is annexed thereto.
4. Register to Members and Share transfer books of the company will remain closed from 28th September 2000 to 30th September 2000 (Both days inclusive)
5. Members/Proxies attending the meeting should bring their copy of the annual report for reference at the meeting.
6. Members are requested to notify the company immediately the change of address, if any, and also write to the company immediately about corrections, if any, in name, address and pic code.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT 1956.****ITEM NO. 4**

The members may recall that at the 8th Annual General Meeting of the Company held on 30th September, 1995 consent of the members had been obtained for the Directors to borrow up to maximum amount of Rs. 35 Crores. In view of the proposed increase in business activities it is desirable to increase the aforesaid borrowing limits up to Rs. 50 Crore which requires consent of the Company in General Meeting pursuant to Section 293 (1) (d) of the Companies Act.

None of the Directors is in any way concerned or interested in the Resolution.

By order of the Board of Directors

**SARVESH GARG**

(Managing Director)



**DESIGN AUTO SYSTEMS LTD.****DIRECTORS' REPORT**

Dear Members,

Your Director have pleasure in presenting the 13th Annual Report of the Business and operations of the Company alongwith the Audited Statement of Accounts for the Financial Year Ended on 31st March, 2000.

**FINANCIAL RESULTS**

		(Rs. in Lacs)
	1999-2000	1998-99
Sales & Other Receipts	6370	4476
Operating Profit (PBIDT)	718	641
Less : Interest	383	371
Depreciation	85	69
Provision for Tax	29	21
Surplus for the year	221	180

**OPERATIONS**

The auto components and particularly Lamp division has performed extremely well in the year 1999-2000 and the turnover has reached Rs. 6360 Lacs which is higher by 43%. We have pleasure in informing you that addition of H4, H3 and H1 Halogen Lamps will add to profitability and turnover in the current financial year.

**PERFORMANCE**

Your Company has recorded profit (PBT) of 24% higher as compared to previous year. The streamlining of operations of lamp division and manufacturing of new auto products will improve the turnover and operating profits of your company in the next year. Your company has charted a growth plan for establishing its presence as a leading player in various automotive products within the next three years period.

**DIVIDEND**

With a view to strengthen the financial base further, the Director have not recommended any Dividend for the Current year.

**DIRECTORS**

Shri Ramesh K. Patodia, Director of the Company retire by rotation from Board at the ensuing Annual General Meeting and is eligible for re-appointment. During the period under review, Shri Magoo J. B. Singh Director of the company resigned due to pre-occupation. The board conveys their sincere thanks for the able guidance given by him during his tennure as director of the company.

**DEMATERIALISATION OF SHARES**

Consequent upon the enactment of the Depositories Act, the Securities Exchange Board of India (SEBI) directing that transaction in the shares of the company shall compulsory be dematerialised with effect from 25.09.2000. The company is in the process of giving effect to the same.

**PARTICULAR OF EMPLOYEES**

Information in accordance with Sub Section (2A) of Section 217 of the Companies Act, 1956, is given in annexure forming part of this report.

**DEPOSITS**

The Company has not invited or accepted any deposits from Public falling under the provision of Section 58 A of the Companies Act, 1956, during the year.

**AUDITORS**

The Auditors M/s. Maheshwari & Gupta, Chartered Accountants, Indore, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

**DESIGN AUTO SYSTEMS LTD.****OTHER INFORMATION****A. CONSERVATION OF ENERGY**

(a) Electricity	
Purchase units	701890
Total Amount	3653533
Cost/Unit-	5.21
(b) Own Generation Units	160977
Total Amount	877544
Cost/Unit	5.45
(c) Coal	—
(d) Furnance Oil	—

The Company Manufactures various items of Auto components, hence it is not possible to indicate product wise consumption.

**B. TECHNOLOGY ABSORPTION**

For the Company's existing products there is no technical collobration either indigenous or imported.

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

Foreign Exchange Earning	-	Rs.	NIL
Foreign Exchange Outgo	-	Rs.	49044584

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation to the Shareholders, Financial Institutions, Banks and various Departments of Central and State Government for their continued support and confidence reposed in the Company.

for and on behalf of the Board

Place : Indore

**Sarvesh Garg**

Date : 10th August, 2000

(Managing Director)

**ANNEUXURE TO DIRECTORS REPORT**

Particulars of Empolyees as per Section 217 (2A) of the Companies Act, 1956.

Name/Age	Qualifications	Experiences	Date of Employment	Designation	Gross Remuneration	Last Employ-ment held
Sarvesh Garg (37)	B. Sc.	13 Years	01.01.94	Managing Director	607200	—

**NOTES :**

1. Remuneration includes Salary & Contribution to P. F.
2. The appointment is contractual.