



15th

ANNUAL

REPORT

1998-99

Dewan Tyres Limited.



DIRECTORS' REPORT

To,

The Members,
Dewan Tyres Limited
Meerut.

The Directors of your company have pleasure in presenting their Report and audited statement of Accounts for the year ended 30th June, 1999 together with the Auditor's Report thereon.

FINANCIAL RESULTS

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
	ENDED 30.06.99 (Rs. IN LACS)	ENDED 30.06.98 (Rs. IN LACS)
Sales & Other Income	2742.05	3526.32
Profit before interest & depreciation	(18.92)	437.28
Interest	455.34	424.88
Depreciation	147.09	141.32
Profit / Loss before Tax	(621.35)	(128.92)
Profit / Loss after Tax	(621.35)	(128.92)

OPERATIONS

During the year under review, your Company has achieved a turnover of Rs. 2742.05 lacs as compared to Rs. 3526.32 lacs achieved in 1997-98. The Net loss of the Company during the year is Rs. 621.35 lacs against the loss of Rs. 128.92 lacs for the last year. The decline in the turnover is mainly due to general recession in the Domestic as well as in the Export market, hike in raw material prices etc. The poor industrial scenario and severe recessionary conditions in the Tyre Industry has also forced the company to perform at low level during the year under review.

DIVIDEND

Since the Company has incurred Loss during the year under review, therefore your Directors are not recommending any dividend for the year 1998-99.

EXPORTS

The Company has achieved the export turnover of Rs. 336.72 lacs during the year 1998-99 as compared to export turnover of Rs. 374.24 lacs in the last year. Such decline in the export is due to recession in the International market. The company has envisaged to achieve substantial increase in exports during the Current Year.

FUTURE PROSPECTS

The Tyre Industry in India holds a strong revival out of ongoing recession, consequently your company has also witnessed the healthy signs of growth in the Domestic market as well as in the International market. Your Company plans to introduce new varieties of low weight tyres and tubes with the technological upgradation in the existing product portfolio. Your Company has also adopted strategic plans to improve productivity, process/products and better rationalisation of product-mix with cost reduction and effectiveness.

Your Directors are quite confident of improved performance both in terms of turnover as well as profitability during the current year.

DISCLOSURE OF INFORMATION PURSUANT TO PROVISIONS OF LISTING AGREEMENT WITH STOCK EXCHANGES

The equity shares of the company are listed at Kanpur, Delhi and Mumbai Stock Exchanges and the Annual listing fee for the year 1999-2000 has not been paid to the aforesaid three stock exchanges as mentioned hereunder.

DEWAN TYRES LIMITED

S.	NAME OF THE STOCK EXCHANGES	AMOUNT (Rs.)
1.	The U.P Stock Exchange Association Ltd. Kanpur	20,500
2.	The Delhi Stock Exchange Association Ltd. Delhi	10,000
3.	The Stock Exchange Mumbai	10,250

Y2K COMPATIBILITY

The company has taken adequate steps to upgrade all its Systems, Software and equipments including computers to make it Y2K Compatible. The company does not expect major expenditure on this account. Besides, most of the systems have already been made Y2K compatible and remaining task is expected to be completed in time and hence company does not expect any risk of substantial expenditure on Y2K preparedness.

BOARD OF DIRECTORS

Since the last Annual General Meeting, the following changes have taken place in the Board of Directors of your Company.

Sh. V.S. Dewan and Sh. S.K. Verma retire by rotation and being eligible, offer themselves for re-appointment.

FIXED DEPOSITS

During the year under review the Company has not received any amount of Fixed deposit from the Public and hence there were Nil deposits which were claimed but not paid by the Company during the year.

AUDITORS

M/s S.S. Gupta & Co. Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and have offered themselves for re-appointment as Auditors. They have furnished a certificate to the effect that the re-appointment, if made, will be in accordance with Sub-Section (1B) of Section 224 of the Companies Act, 1956.

INDUSTRIAL RELATIONS

Your Company continued to maintain harmonious and cordial relations with its workers, supervisors and officers in its all Divisions.

PARTICULARS OF EMPLOYEES

There is no employee in the Company who drew Rs. 6,00,000 per annum or more, where employed for the whole year or Rs. 50,000/- per month or more, where employed for part of the year and whose particulars are required to be furnished under section 217(2A) of Companies Act, 1956.

OTHER INFORMATION

The information required under Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 given Annexure A which forms part of the Director's Report.

ACKNOWLEDGEMENT

Your Directors take this opportunity to offer their sincere thanks to the esteemed Customers and various departments of State & Central Govt., Financial Institutions and Bankers for their continued support and to place on record their deep appreciation for the dedicated and loyal services rendered by all the work force of the Company at all levels. Yours Directors deeply acknowledge the continued faith and confidence resposed by you in management of the company.

ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

(V.S. DEWAN)
CHAIRMAN

MEERUT : 24-11-1999



ANNEXURE - A ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1) (A) READ WITH COMPANIES (DISCLOSURE OF THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 30TH JUNE, 1999

A. CONSERVATION OF ENERGY

a. Energy Conservation Measures taken :

Energy conservation is receiving high priority. To achieve this objective the Company on continuous basis :-

1. Closely monitors energy consuming equipments.
2. Maintains close liaison between energy generating centres and consuming points.
3. Makes optimum use of steam.
4. Most of the Steam lines have been re-insulated to save the heat loss and thus saving the steam energy.
5. All the condensate line properly modified and revised piping arrangements have been done to collect all condensate discharge and the same is re-used to heat the water to feed in boiler, resulting saving in coal consumption.

- b.**
1. The Company has installed SMC i.e. for reduction in consumption of energy to save Power Consumption during starting at low-torque for 300 H.P 4 Speed Motor.
 2. The management endeavours to reduce consumption of energy and explorations / research in new areas for reduction in energy consumption have been taken up wherever it has been possible.

3. Power capacitors have been added to improve power factor.

c. Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production.

The above measures taken for reduction in energy consumption have brought encouraging results, bringing about a saving in cost of production.

d. Total energy consumption and energy consumption per unit of production as per Form A of the Annexure to the Rules :

FORM 'A'

FOR THE DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY

A. POWER & FUEL CONSUMPTION :

PARTICULARS	CURRENT YEAR ENDED 30.06.99	PREVIOUS YEAR ENDED 30.06.98
1. ELECTRICITY :		
a) Purchased: Units (lacs)	17.03	35.31
Total Amount (Rs. in lacs)	100.62	140.17
Rate/Unit (Rs.)	5.91	3.97
b) Own Generation :		
i. Through Diesel Generator		
(Units in lacs)	13.30	7.86
Units per litre of Diesel Oil	3.26	3.15
Cost/Unit (Rs.)	3.09	3.35

DEWAN TYRES LIMITED

		CURRENT YEAR	PREVIOUS YEAR
ii.	Through Steam Turbine Unit (oil/Gas) Units Per litre of Fuel Cost/Units	- - - -	- - - -
2.	COAL: QUANTITY (TONNES)	3504.44	3997.56
	Total Cost (Rs. in lacs)	102.84	94.31
	Average Rate/Tonnes	2934.63	2359.18
3.	FURNACE OIL (QUANTITY KILO LITER)	-	-
	Total Amount (Rs. in lacs)	-	-
	Average Rate (Rs./Kilo litre)	-	-
4.	OTHER INTERNAL GENERATION	-	-
	Quantity	-	-
	Total Cost	-	-
	Rate/Unit	-	-
B.	CONSUMPTION PER UNIT OF PRODUCTION		
a.	ELECTRICITY "Units"		
	Tyres (Per Piece)	4.06 Units	4.03 Units
	Tubes (Per Piece)	1.95 Units	1.92 Units
b.	Furnace oil		
c.	Coal		
	Tyres (Per Piece)	5.98 Kg	5.78 Kg.
	Tubes (Per Piece)	1.63 Kg	1.70 Kg.
d.	Others		

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DEWAN TYRES LIMITED

		CURRENT YEAR	PREVIOUS YEAR
ii.	Through Steam Turbine Unit (oil/Gas) Units Per litre of Fuel Cost/Units	- - - -	- - - -
2.	COAL: QUANTITY (TONNES)	3504.44	3997.56
	Total Cost (Rs. in lacs)	102.84	94.31
	Average Rate/Tonnes	2934.63	2359.18
3.	FURNACE OIL (QUANTITY KILO LITER)	-	-
	Total Amount (Rs. in lacs)	-	-
	Average Rate (Rs./Kilo litre)	-	-
4.	OTHER INTERNAL GENERATION	-	-
	Quantity	-	-
	Total Cost	-	-
	Rate/Unit	-	-
B. CONSUMPTION PER UNIT OF PRODUCTION			
a.	ELECTRICITY "Units"		
	Tyres (Per Piece)	4.08 Units	4.03 Units
	Tubes (Per Piece)	1.95 Units	1.92 Units
b.	Furnace oil		
c.	Coal		
	Tyres (Per Piece)	5.98 Kg	5.78 Kg.
	Tubes (Per Piece)	1.63 Kg	1.70 Kg.
d.	Others		

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