



GUJARAT APOLLO EQUIPMENTS LIMITED



ANNUAL REPORT

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BOARD OF DIRECTORS

ANIL T. PATEL	— Chairman & Managing Director
MANIBHAI V. PATEL	— Director
ASHOK T. PATEL	— Wholetime Director
ASIT A. PATEL	— Executive Director
V. P. KAMDAR	— Director
ASHOK J. PATEL	— Director
M. N. PATEL	— Director

Company Secretary
SURESH S. SHAH

Statutory Auditors
ARVIND A. THAKKAR & CO.,
Chartered Accountants,
Ahmedabad.

Internal Auditors
S. K. MOONDRA & CO.,
Chartered Accountants,
Ahmedabad.

Bankers
DENA BANK
STATE BANK OF INDIA

Registered Office
Ditasan, Post Jagudan, State Highway,
Mehsana-382 710 (North Gujarat)

Corporate Office
"Parishram", 5/B, Rashmi Society, Mithakhali Circle,
Navrangpura, Ahmedabad-380 009.

GUJARAT APOLLO EQUIPMENTS LIMITED**NOTICE :**

NOTICE is hereby given that the Twelfth Annual General Meeting of Gujarat Apollo Equipments Limited will be held on Tuesday, the 28th day of September, 1999 at 11.30 a.m. at the Registered Office of the Company at Ditasan, Post Jagudan, State Highway, Mehsana-382710, 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 Profit and Loss account for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Ashok J. Patel, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Mahendra N. Patel, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

6. To consider, and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to Section 198, 269, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956, consent of the members be and is hereby accorded to the reappointment of Mr. Asit A. Patel as Executive Director of the Company for a period of 5 years with effect from 1st July, 1999 on the following terms and conditions :

1. The reappointment shall be for a period of 5 years with effect from 1st July, 1999.
2. He shall be entitled to the following Salary, Perquisites and Commission :
 - i) Salary : Rs. 25,000/- (Rupees Twenty Five Thousand only) per month in the grade of Rs.25,000 - 3,000 - 40,000. The next increment shall become due on 1st April, 2000.
 - ii) In addition to the salary, he shall be entitled to perquisites listed in category - A, B & C below :

CATEGORY - A

- a) Housing : The expenditure by Company on hiring

furnished accommodation for the Executive Director will be subject to a ceiling of 60% of the salary over and above 10% payable by the Executive Director.

In case the accommodation is owned by the Company, 10% of the salary of the Executive Director shall be deducted by the Company.

In case no accommodation is provided by the Company, the Executive Director shall be entitled to House Rent Allowance subject to ceiling laid down above.

Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the salary of Executive Director.

b) Medical reimbursement : Expenses incurred for the Executive Director and the family, subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

c) Leave Travel Concession : For the Executive Director and his family once in a year in accordance with the Rules specified by the Company.

d) Club Fees : Fees of Clubs subject to a maximum of two clubs, excluding admission and life membership fees.

e) Personal Accident Insurance : Premium not to exceed Rs. 4,000/- per annum.

Explanation : For the purpose of category - A, family means the spouse, the dependent children and the dependent parents of the Executive Director.

CATEGORY - B

a) Contribution to Provident Fund, Super-annuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these singly or put together, are not taxable under the Income-Tax Act. Gratuity payable shall not exceed half a month's salary for each completed year of service.

b) Encashment of leave at the end of the tenure will not be included in computation of the ceiling on perquisites.

CATEGORY - C

a) Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. However, personal long distance calls

on telephone and use of car for private purpose shall be billed by the Company to the Executive Director.

- b) In case the Company has no profits or profits are inadequate in any financial year during the term of office, the Executive Director shall be entitled to receive the above salary and perquisites as minimum remuneration.

iii) COMMISSION :

The Executive Director shall be entitled to a payment of commission at the rate of 1% of the net profit, subject however, the total remuneration by way of salary, perquisites, other allowances and commission shall not exceed 5% of net profit computed in the manner laid down under Section 198 and 309 of the Companies Act, 1956 for one such managerial person in any financial year.

3. The Company will reimburse to the Executive Director such expenses as he may incur on behalf of the Company.
4. The Executive Director will be entitled to the earned privilege leave on full pay and allowance as per the rules of the Company not exceeding one month leave for every eleven months of service.
5. The Executive Director shall not be liable to retire by rotation.
6. The Executive Director shall not be entitled to receive any sitting fee for attending the meetings of the Board of Directors or committee thereof from the date of his appointment."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is authorised to do all such acts, deeds, things and matters as may be necessary to give effect to the foregoing resolution."

By Order of the Board of Directors

PLACE : Ahmedabad.

Suresh Shah

DATED : 21st July, 1999.

Company Secretary

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.

A Proxy in order to be effective should be lodged at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting.

2. The Register of members and the Share transfer books of the Company' shall remain closed from

18th September, 1999 to 28th September, 1999 (both days inclusive).

3. Dividend, when declared, shall be paid to those members whose names are on register of members as on the date of the Annual General Meeting of the Company
4. Pursuant to Section 205(5) of the Companies Act, 1956, the dividend remaining unpaid or unclaimed for a period of seven years from the date of the transfer to unpaid dividend account of the Company shall be transferred to The Investor Education and Protection Fund established under Section 205C (1) of the said Act.
5. Members are requested to notify immediately the change in address, if any, to the Company.
6. Members attending the Annual General Meeting are requested to bring their copies of Annual Report at the meeting.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 5

The Board of Directors at its meeting held on 25th June, 1994 had appointed Mr. Asit A. Patel as Executive Director of the Company for a period of 5 years commencing from 1st July, 1994. Mr. Asit A. Patel completed 5 years of his term on 30th June, 1999.

In the meeting of Board of Directors held on 16th June, 1999, a resolution was proposed to reappoint Mr. Asit A. Patel for a further period of 5 years for salary and perquisites as are outlined in the Resolution before the members.

The remuneration payable to Mr. Asit A. Patel is within the permissible limits specified in Schedule XIII of the Companies Act, 1956 and this commensurates with his responsibilities.

The draft agreement to be entered into between the Company and Mr. Asit A. Patel is open for inspection at the Registered Office of the Company between 11 A.M. and 1 P.M. on all days except Sundays and other Public Holidays until the day of the Annual General Meeting or any adjournment thereof.

The Directors commend the Resolution for members' favourable consideration and acceptance.

No other Directors except Mr. Asit A. Patel, the appointee and Mr. Anil T. Patel being related to him may be deemed to be concerned or interested in the said Resolution.