



14th ANNUAL REPORT
1998-99

Report  Junction.com




HONDA SIEL POWER PRODUCTS LIMITED


HONDA

Deliver Honda to New Horizons


India's no. 1 portable power products company makes way for another no. 1. The world leader in power products, Honda, look forward to a new range of power products based on world-proven, environment friendly 4 stroke technology. After all, at Honda nothing but the best is ever good enough.




Honda Portable Generators




Honda Portable Pumps



Honda Lawn Mowers



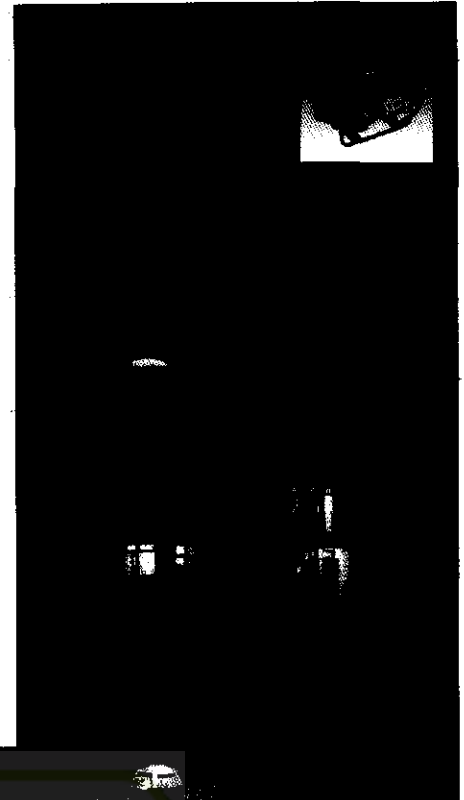
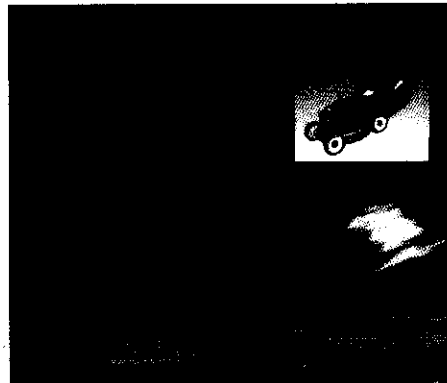
Honda Outboard Motors



Honda Portable Engines

HONDA
POWER PRODUCTS
Demand More From Us.

HONDA S&P POWER PRODUCTS PRIVATE LTD. 1st Floor, Kirti Mahal, 18, Rajendra Place, New Delhi - 110 008 (IN). Tel: 11-27391133/9496, 91-11-2731528/718, Fax: 91-11-2343422/23114. March 2011



GENSETS



PUMPSETS



LAWN MOWERS



OUTBOARD MOTORS



BOARD OF DIRECTORS

Mr Siddharth Shriram	— Chairman
Mr Mantosh Sondhi	
Mr D V Kapur	
Mr O P Khaitan	
Mr T Fujisaki	
Mr T Nakajima	
Mr T Kamo	
Mr Y Nakano	— President & CEO
Mr R S Bidesi	— Whole-time Director
Mr K Kitanoya	— Whole-time Director

COMPANY SECRETARY

Mr Anil Rustgi

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants,
New Delhi

BANKERS

The Bank of Tokyo-Mitsubishi Ltd.
Allahabad Bank

TECHNICAL AND FINANCIAL COLLABORATORS

Honda Motor Co., Ltd.
1-1, 2 Chome,
Minami-aoyama, Minato-Ku,
Tokyo, Japan

REGISTERED OFFICE

5th Floor,
Kirti Mahal,
19, Rajendra Place,
New Delhi - 110 008

WORKS

Village & Post Office Bhigwara,
Via Kichha, Rudrapur
Distt. Udham Singh Nagar
U.P.

Plot No. B-16 & B-30,
PIPDIC Industrial Estate,
Sedarapet,
Pondicherry



NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of the members of Honda Siel Power Products Limited will be held as scheduled below :

DAY : Tuesday
 DATE : 21.09.1999
 TIME : 10.30 AM
 PLACE : FICCI Auditorium, Tansen Marg,
 New Delhi-110 001.

to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 1999 and the Profit and Loss Account of the Company for the year ended on that date and the Report of Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr D V Kapur who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr O P Khaitan who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass the following resolution, with or without modification(s) as an Ordinary Resolution:
 "RESOLVED that Mr T Fujisaki, who was appointed as an Additional Director of the Company under Article 90 of the Articles of Association of the Company and who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company".
7. To consider and if thought fit, to pass the following resolution, with or without modification(s) as an Ordinary Resolution :
 "RESOLVED that Mr T Nakajima, who was appointed as an Additional Director of the Company under Article 90 of the Articles of Association of the Company and who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company".
8. To consider and if thought fit, to pass the following resolution, with or without modification(s) as an Ordinary Resolution :
 "RESOLVED that Mr R S Bidesi, who was appointed as an Additional Director of the Company under Article 90 of the Articles of Association of the Company and who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company".



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

"RESOLVED that pursuant to Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 or any amendment or modifications thereof and further subject to the approval of the Financial Institutions, the consent of the shareholders of the Company be and is hereby accorded to the appointment of Mr R S Bidesi as Whole-Time Director of the Company for a period of five years w.e.f. 11.8.1998 on the following terms and conditions :

REMUNERATION FOR THE PERIOD	: 11.08.98 to 31.03.99
BASIC SALARY	: Rs.45,000 p.m. (Rupees Forty Five Thousand only)
HOUSING	: a) The expenditure by the Company on hiring unfurnished accommodation will be subject to ceiling of 60 per cent of the basic salary. b) Free furnished accommodation in case the accommodation is owned by the Company. c) In case no accommodation is provided by the Company, entitlement to house rent allowance subject to the ceiling laid down in (a) above. Provision of furnishings as per Company Rules.
ELECTRICITY/ WATER/GAS	: Rs. 5,000 p.m.
MEDICAL REIMBURSEMENT	: Expenses actually incurred for self and family subject to a ceiling of one month's basic salary in a year or 3 months basic salary in a block of 3 years.
CLUB FEES	: Admission fees, monthly and Annual charges, subject to a maximum of two clubs.
PERSONAL ACCIDENT INSURANCE	: Premium not to exceed Rs.1200 per annum.
MEDICAL INSURANCE	: Premium not to exceed Rs. 6,000 per annum.
CHILDREN'S EDUCATION ALLOWANCE	: Rs. 6,000 p.m. per child upto a maximum of two children.
SPECIAL ALLOWANCE	: Rs. 31,000 p.m. (Rupees Thirty One Thousand only)
CAR	: Facility of car with driver.
TELEPHONE	: Actual expenses for telephone at residence.
INTEREST SUBSIDY ON HOUSING LOAN	: As per Company rules.
PROVIDENT FUND	: As per Company Rules.
SUPERANNUATION FUND	: As per Company Rules.
GRATUITY	: As per Company Rules.
LEAVE TRAVEL CONCESSION	: For self and family once in a year for any destination in India upto a maximum of Rs. 1,20,000 per annum.
LEAVE	: As per Company Rules.

Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole-Time Director.



"Family" means the spouse, dependent children and dependent parents of the appointee.

Further Resolved that the recuperation, medical reimbursement, leave travel concession and other perks, benefits, leave accrued to Mr R S Bidesi as Vice-President of the Company till 10.08.1998 shall be carried forward.

RESOLVED further that the remuneration as aforesaid, shall be paid as minimum remuneration for any year in the case of absence or inadequacy of profits for such year".

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

"RESOLVED that pursuant to Sections 198, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any amendment or modification thereof and further subject to the approval of the Financial Institutions, Mr R S Bidesi, Whole-Time Director of the Company be paid remuneration by way of salary, perquisites and other allowances w.e.f. 1st April 1999 for the remaining tenure of his appointment as under:

Basic Salary Rs. 50,000 (Rupees fifty thousand) per month.

PERQUISITES

- | | | |
|-------------------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Residential Accommodation | : | a) The expenditure by the company on hiring unfurnished accommodation will be subject to a ceiling of 60 per cent of the basic salary.
b) Free furnished accommodation in case the accommodation is owned by the Company.
c) In case no accommodation is provided by the Company, entitlement to house rent allowance subject to the ceiling laid down in (a) above.
Provision of furnishing as per Company Rules. |
| 2 Electricity/ Water/Gas | : | Rs. 5,000 (Rupees five thousand) per month. |
| 3 Medical reimbursement | : | Expenses actually incurred for self and family subject to a ceiling of one month's basic salary in a year or three months basic salary in a block of three years. |
| 4 Club Fees | : | Admission fee, monthly and Annual charges, subject to a maximum of two clubs. |
| 5 Personal Accident Insurance | : | Premium not to exceed Rs. 1,200 (Rupees one thousand two hundred) per annum. |
| 6 Medical Insurance | : | Premium not to exceed Rs. 6,000 (Rupees six thousand) per annum. |
| 7 Children's education allowance | : | Rs. 6,000 (Rupees six thousand) per month per child upto a maximum of two children. |
| 8 Special Allowance | : | Rs. 35,000 (Rupees thirty five thousand) per month. |
| 9 Car | : | Facility of car with driver. |
| 10 Telephone | : | Telephone facilities at residence.
Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Whole-Time Director. |
| 11 Interest Subsidy on Housing Loan | : | As per Company Rules. |
| 12 Provident Fund | : | As per Company Rules. |
| 13 Superannuation Fund | : | As per Rules of the Company. |
| 14 Gratuity | : | As per Rules of the Company. |
| 15 Leave Travel Concession (LTC) | : | For self and family once in a year for any destination in India upto a maximum of Rs. 1,20,000 (Rupees one lac twenty thousand) per annum. |



- 16 Leave : As per Company Rules.
Encashment of leave accumulated but not availed of, will be governed as per Rules of the Company.
- 17 Insurance of Household Goods : Premium not to exceed Rs. 6,000 (Rupees six thousand) per annum.

Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole-Time Director.

"Family" means the spouse, dependent children and dependent parents of the appointee.

RESOLVED further that the Board of Directors be and is hereby authorised to alter and vary from time to time during the current tenure of appointment of Mr R S Bidesi the terms and conditions and/or remuneration in such manner as in the best interest of the Company in accordance with the laws from time to time in force and acceptable to Mr R S Bidesi provided that remuneration after such alteration shall not exceed the limits prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED further that the remuneration as aforesaid shall be paid as minimum remuneration for any year in the case of absence or inadequacy of profits for such year".

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :
"RESOLVED that Mr. T Kamo, who was appointed as an Additional Director of the Company under Article 90 of the Articles of Association of the Company and who holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing, pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of the Director, be and is hereby appointed as Director of the Company".
12. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :
"RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and the provisions of other statutes as may be applicable and subject to such approvals, consent, permissions, and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company be and are hereby altered as follows :
 - (i) In Article 2 the following be added :

"SEBI" means the Securities and Exchange Board of India.

"Depository" means a company formed and registered under the Act and which has been granted a certificate of registration by SEBI under the Securities & Exchange Board of India Act, 1992.

"Beneficial Owner" means a person or persons whose name is recorded in the Register maintained by a Depository under the Depositories Act, 1996.

"Security" means such security as may be specified by SEBI from time to time.

"Member" in respect of dematerialised shares means the beneficial owner thereof, i.e. the person or persons whose name is recorded as a beneficial owner in the Register maintained by a Depository under the Depositories Act, 1996 and in respect of other shares the person or persons whose name is duly registered as a holder of a share in the Company from time to time and includes the Subscribers to the Memorandum of Association.
 - ii) Existing Article 12 be deleted and in place thereof, the following Article 12 be substituted :

12. "The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to the progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited share held in material form shall continue to bear the number by which the same was originally distinguished".



- iii) The following words be added after third line in Article 17:
"Provided however, no share certificate(s) shall be issued for shares held in a Depository".
- iv) The following new Article numbered as 18A be added :
18A. "The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and holders of securities for the purpose of these Articles and the Act."
- v) Existing Article 42 be deleted and in place thereof the following Article 42 be substituted :
42. "The Company shall keep a 'Register of Transfers' and therein shall be fairly and distinctly enter particulars of every transfer or transmission of any share held in material form."
- vi) The following new Article numbered as 42A and 42B be added :
42A. "The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in material and dematerialised forms in any media as may be permitted by law, including in any form of electronic media. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members for the resident in that State or Country".
42B. "In the case of transfer or transmission of shares where the Company has not issued any certificates and where such shares are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply."
- vii) The following new Article numbered as 44A be added :
44A. "Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered in the Register maintained under the Depositories Act by a Depository as beneficial owners."
- viii) The following new Article numbered as 48A be added :
48A. "Notwithstanding anything contained in Article 48 or in any other law for the time being in force, where a nomination has been made in the manner prescribed in Section 109A of the Act, purporting to confer on any person the right to vest the shares in, or debentures of, the Company, the nominee shall, on the death of the shareholder or holder of debentures of the Company, as the case may be, on the death of the joint holders, become entitled to all the rights in the shares or debentures of the Company as the case may be, all the joint holders, in relation to such shares in or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner and the provisions contained in Sections 109A and 109B of the Act, shall be applicable to such cases."
- ix) The following new Article numbered as 57A be added:
57A (1) "Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the provisions of the Depositories Act, 1996 or otherwise.
(2) Notwithstanding anything contained in these Articles, every issue of security by the Company shall be in the dematerialised form and the Company shall intimate the details of allotment to the Depository immediately on allotment of such securities.
Investors in a new issue and the beneficial owners shall have the option to rematerialise the shares subsequent to the allotment or dematerialisation, as the case may be, in which event the Company shall issue to the investor/beneficiary the required certificates of securities subject to the provisions of applicable laws, rules, regulations or guidelines. The shares so rematerialised shall bear new distinctive numbers so as to identify them from the shares not dematerialised.



- (3) All securities held in the Depository mode with a Depository shall be dematerialised and be in fungible form. To such securities held by a Depository on behalf of a beneficial owner, nothing contained in Sections 153, 153 A, 153 B, 187 B, 187 C and 372 of the Act shall apply.
- (4) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have other membership rights in respect of the securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the Register maintained by a Depository shall be deemed to be a Member of the Company. The beneficial owner of securities shall alone be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities held in the Depository mode of which he is the beneficial owner."
- x) The following new Article numbered as 142A be added :
- 142A. "Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository mode, the records of the beneficial owner may be served by a Depository on the Company by means of a electronic mode or by delivery of floppies or discs".
13. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :
- "RESOLVED that pursuant to Section 163 of the Companies Act, 1956, the Company hereby approves that the Register of Members, together with Index of Members and copies of all returns prepared under Section 159 of the Companies Act, 1956, as also the copies of all certificates and documents required to be annexed thereto under Section 161 of the Companies Act, 1956 be kept with the Company's Registrars and Share Transfer Agent, Mas Services Private Limited, AB-4, Safdarjung Enclave, New Delhi - 110029, instead of being kept at the Registered office of the Company with effect from 21st September 1999".

By order of the Board
for HONDA SIEL POWER PRODUCTS LIMITED

ANIL RUSTGI
COMPANY SECRETARY

New Delhi
July 30, 1999



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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING. A PROXY FORM IS ATTACHED HEREWITH.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 16.09.1999 to 21.09.1999 (both days inclusive).
3. Dividend on shares as recommended by the Board of Directors, if declared at the meeting will be paid to those shareholders whose name appear in the Register of Members as on 21.09.1999.
4. Pursuant to Section 205 A of the Companies Act, 1956 dividends upto the financial year 1993-94 and interim dividend for the financial year 1994-95, which remained unclaimed have been transferred to the General Revenue Account of the Central Government. Members who have not encashed their dividend warrants for the said period, are requested to claim the amount from the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Members who have not encashed their dividend warrants for the subsequent years may please write to the Company.
5. With a view to provide protection against fraudulent encashment of dividend warrants, shareholders are requested to provide their bank account numbers, names and addresses of the Bank Branches to enable the Company to incorporate the said details in the dividend warrants.
6. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business as set out above is annexed hereto.
7. Documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days between 11.00 A.M. to 1.00 P.M. upto the date of the Annual General Meeting.
8. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
9. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the company to keep the information ready.