

Forty Fifth Annual Report 1998-1999

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India Motor Parts & Accessories Limited


INDIA MOTOR PARTS & ACCESSORIES LIMITED
Chairman

Sri T S SANTHANAM

Vice-Chairman

Sri S NARAYANAN

Managing Director

Sri N KRISHNAN

Directors

Sri K R RAGAVAN

Sri V GOPALAKRISHNAN

Sri S VIJI

Sri R SRIKANTH

Asst. Vice-President (Finance & Admn.)

Sri T K SUNDARARAJAN

Asst. Vice-President (Marketing)

Sri N S MANI

Deputy General Manager (Accounts)

Sri M S CHANDRASEKAR

Secretary

Sri V SRIRAMAN

Bankers

STATE BANK OF INDIA and

STATE BANK OF MYSORE

Auditors

M/S SUNDARAM & SRINIVASAN

Chartered Accountants

CHENNAI

Registered Office :

21, Patullos Road,

CHENNAI 600 002.

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Branches: AGRA - AHMEDABAD - ASANSOL - BANGALORE - BAREILLY - BARODA - BATHINDA - BHILWARA - BHUBANESWAR - CALCUTTA - CALICUT - CHANDIGARH - CHENNAI - COCHIN - COIMBATORE - CUTTACK - DHANBAD - GUWAHATI - HISSAR - HUBLI - HYDERABAD - JAIPUR (2 Branches) - JALANDHAR - JAMSHEDPUR - JODHPUR - KANPUR - KOTA - LUDHIANA - MADURAI - NAVI MUMBAI - NEW DELHI (3 Branches) - PATIALA - PATNA - PUNE - RAIPUR - RAJKOT - RANCHI - SAHARANPUR - SILIGURI - UDAIPUR - VARANASI - VIJAYAWADA.

INDIA MOTOR PARTS & ACCESSORIES LIMITED

Distribution Network





NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Forty Fifth Annual General Meeting** of the Shareholders of the Company will be held at the Music Academy, 306, T T K Road, Chennai 600 014, on Wednesday, the 18th August, 1999 at 10.30 a.m. to transact the following business:

1. To receive and adopt the Audited Statements of Accounts for the year ended 31st March, 1999 and to consider the reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To elect a Director in the place of Sri V Gopalakrishnan, who retires by rotation and being eligible, offers himself for re-election.
4. To elect a Director in the place of Sri R Srikanth, who retires by rotation and being eligible, offers himself for re-election.
5. To appoint Auditors and fix their remuneration. Messrs. Sundaram & Srinivasan, Chartered Accountants, Chennai, retire and are eligible for re-appointment.

SPECIAL BUSINESS

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

RESOLVED that pursuant to Sections 269, 309 and 198 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Consent of the Company be and is hereby given for appointment of Sri N Krishnan as Managing Director of the Company for a period of five years commencing from 01.07.99 on the terms of remuneration as set out in the explanatory statement attached to the notice convening this Annual General Meeting.

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By Order of the Board

Chennai
2nd July, 1999

V Sriraman
Secretary

NOTES

A member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself and the proxy need not be a member.

The proxy form duly stamped and executed, should be deposited at the Registered Office of the Company atleast fortyeight hours before the time fixed for the commencement of the meeting.

The Register of Members and Share Transfer Books of the Company will remain closed from 12th August, 1999 to 18th August, 1999 (both days inclusive).

INDIA MOTOR PARTS & ACCESSORIES LIMITED**EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT, 1956.****SPECIAL BUSINESS****Item No. 6**

At the Board Meeting held on 02.07.1999, Sri N Krishnan, Deputy Managing Director, was appointed as Managing Director of the Company for a period of five years commencing from 01.07.1999 on the following terms of remuneration:

- 1) Salary : Rs.50,000/- (Rupees Fifty thousand only) per month.
- 2) Commission : 100 % of the annual salary.
- 3) Perquisites :
 - a) Free use of furnished accommodation owned or leased by the Company with amenities including Water, Gas, Electricity and Furnishings. If no accommodation is provided, the Managing Director shall be entitled to House Rent Allowance subject to a ceiling of 60% of his salary. The expenditure incurred by the Company on Water, Gas, Electricity and Furnishings will be evaluated as per Income Tax Rules, 1962.
 - b) Medical Reimbursement for self and family including premium payable for medical insurance in accordance with the rules of the Company.
 - c) Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.

Explanation : 'Family' means the spouse, dependent children and dependent parents of the appointee.

 - d) Sitting fee for attending the meeting of Board of Directors and Committee thereof, as applicable to other Directors.
 - e) Fees of clubs subject to a maximum of two clubs. This will not include admission fee and life membership fee.
 - f) Personal Accident Insurance of an amount, the premium of which shall not exceed Rs.4,000/- per annum.
 - g) Contribution to Provident Fund, Superannuation Fund or Annuity Fund and payment of Gratuity as per the rules of the Company.
 - h) Encashment of leave at the end of the tenure.
 - i) Provision of Car with driver.
 - j) Provision of telephone at the residence of the Managing Director.
 - k) Such other perquisites, benefits and amenities as may be provided by the Company to the other senior executives from time to time.



EXPLANATORY STATEMENT (Contd.)

The total remuneration payable to the Managing Director by way of Salary, Commission and Perquisites would be within the specified limits laid down in Schedule XIII to the Companies Act, 1956, and require your approval.

INTEREST OF DIRECTORS

None of the Directors except Sri N Krishnan and Sri S Narayanan, who is related to him is concerned or interested in the resolution.

The explanatory statement together with the accompanying notice is and should be treated as an abstract of the terms of appointment and memorandum of interest under Section 302 of the Companies Act, 1956.

Chennai
2nd July, 1999

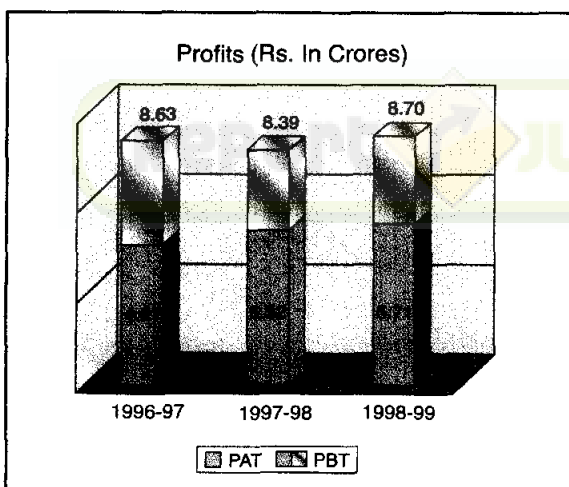
By Order of the Board
V Sriraman
Secretary



INDIA MOTOR PARTS & ACCESSORIES LIMITED**REPORT OF THE DIRECTORS' TO THE SHAREHOLDERS FOR THE YEAR ENDED 31ST MARCH, 1999**

Your Directors have pleasure in submitting the **Forty Fifth Annual Report** together with the Audited Accounts for the year ended 31st March, 1999.

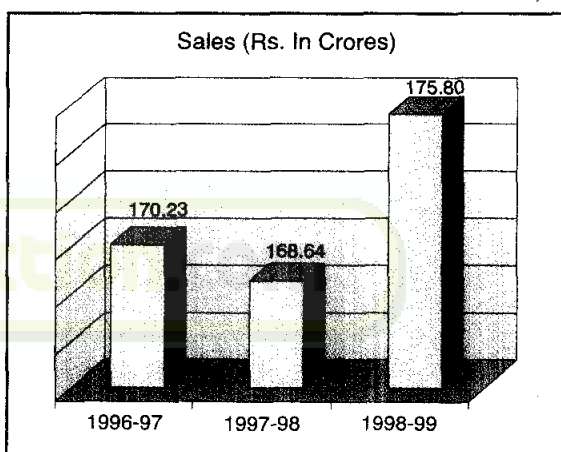
Financial Results	31.03.1999	31.03.1998
	(Rs. in lakhs)	
Profit before Tax	870.31	838.79
Less: Provision for Taxation	298.90	287.00
Profit after Tax	571.41	551.79
Add: Balance in Profit & Loss Account brought forward from previous year	146.60	68.90
Provision for taxation no longer required	—	1.75
Profit available for appropriation	718.01	622.44
Appropriations		
Dividend Proposed	166.40	114.40
Dividend Tax	18.30	11.44
General Reserve	400.00	350.00
Surplus Balance in Profit & Loss Account	133.31	146.60

**Performance and Prospects**

The turnover of the Company for the year ended 31st March, 1999 was Rs.175.80 Crores. This is a growth of 4.24% on the previous year's turnover of Rs.168.64 Crores. The Profit before Tax is higher at Rs.8.70 Crores which is an increase of 3.75% over the previous year's figure of Rs.8.39 Crores, inspite of recessionary conditions.

The East Asian economic crisis had its impact on India's economy. There has been a slow down in the growth of the textiles, steel, cement and automobile truck manufacturing industries. Freight offerings have not improved and there has been a slowing down of purchase of spare parts by the truck operators. In the prevailing scenario the performance of your Company can be considered satisfactory.

Considering the trend in the first quarter, your Company is hopeful of improving upon last year's sales turnover.

**Commercial Paper**

Your Directors are pleased to inform that the Credit Rating Information Services of India Limited