



Nineteenth
ANNUAL REPORT
1999-2000

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Lumax Industries Limited



Lumax Industries Limited

BOARD OF DIRECTORS

Shri S.C. Jain	(Chairman & Sr. Mg. Director)	
Shri D.K. Jain	(Vice Chairman & Mg. Director)	
Shri Mahesh K. Jain	(Director)	
Shri B.B. Gupta	(Sr. Executive Director)	
Shri U.K. Jain	(Executive Director)	
Shri Rajan Jain	(Executive Director)	
Shri P.C. Jain	(Executive Director)	
Shri R.P. Aggarwal	(Executive Director)	
Shri A. Nakamura	(Director)	} Nominees of Stanley, Japan
Shri H. Seto	(Executive Director)	
Shri K. Orii	(Executive Director)	
Shri S.S. Aggarwal	(Director)	Nominee of IDBI

SECRETARY

Shri K.V. Vijayan

AUDITORS

M/s K.S. Gupta & Company
Chartered Accountants, Delhi

M/s D.R. Barve & Company
Chartered Accountants, Pune (Branch Auditors)

BANKERS

Punjab National Bank
Syndicate Bank
ICICI Bank Ltd.
State Bank of India

REGISTERED OFFICE & SHARE DEPT.

2nd Floor, Harbans Bhawan-II
Nangalraya Business Centre, New Delhi-110 046
Tele : 5500010, 5541975
Fax : 5501233
E-mail : lumxshre@ndf.vsnl.net.in

CORPORATE OFFICE

B-86, Mayapuri Industrial Area,
New Delhi-110 064

WORKS

- B-85, Mayapuri Industrial Area, New Delhi
- D-2/43 & D-2/44, MIDC Industrial Area, Chinchwad, Pune
- 29, DLF Industrial Estate-II, Faridabad
- Plot No. 16, Sector 18, Maruti Complex, Gurgaon
- Plot No. 78, Sector 6, Faridabad
- C-10, MIDC, Waluj, Aurangabad
- 131, Roz-Ka-Meo Industrial Estate, Sohna
- Plot No. 6, HSIDC Indl. Area, Dharuhera



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ANNUAL GENERAL MEETING ON 18TH SEPT., 2000



Lumax Industries Limited

SHAREHOLDERS' INFORMATION :

1. Date and Venue of the Annual General Meeting:

18th September, 2000 at 10.30a.m. at FICCI Golden Jubilee Auditorium, Tansen Marg, New Delhi-110001

2. Dividend :

22% Dividend has been recommended for declaration in the AGM. If declared, dividend warrants will be despatched by 28th October, 2000 to all the shareholders whose names appear in the register of members/beneficiaries as on 18th Sept. 2000. (Book closure from 11th to 18th Sept.).

The company shall be transferring the balance lying in the unclaimed/unpaid dividend accounts for the period commencing from 1995-96 to 1998-99 to the Investor Education and Protection Fund established by the Central Govt. in terms of the provisions of Section 205 A and 205 C of the Companies Act, 1956, after the expiry of seven years from the date of transfer to the unpaid dividend account.

Members who have not encashed their Dividend Warrants for the above financial years, may approach the Share Department of the company at 2nd Floor, Harbans Bhawan-II, Nangalaya Business Centre, New Delhi - 110046 for obtaining duplicate Dividend Warrants/Revalidation of Dividend Warrants.

3. Dematerialisation :

As per SEBI's circular dated 29-05-2000, the Company's equity shares are listed for Compulsory Demat trading w.e.f. 28th August, 2000.

Company has already established connectivity with the under mentioned Depositories on 29th March, 2000, so that, dematerialised trading could be commenced in the scrips from the scheduled date.

Name of the Depository	ISIN No.
National Securities Depository Limited (NSDL)	INE 162B01018
Central Depository Services (India) Limited (CDSL)	INE 162B01018

5.90 lacs shares constituting 7% of the total paid up equity of the Company have been dematerialised as on 31st July, 2000.

Members are requested to avail the facility of the Depository System by opening Demat account with any of the Depository Participant (DP). All Shareholders who are holding the shares in physical form may send the demat requests alongwith the relevant share certificates to the share department of the company through a depository participant at the earliest for the demat of their shares. Members who hold shares in dematerialised form, should send all their communications related to transfers/transmissions, dividends, change of address, change in mandate, nominations, etc. to the concerned DPs with whom they have demated their shares.

4. Listing of shares of the Company :

The Company's shares continue to be listed at Delhi, Mumbai and National Stock Exchanges and the renewal fees have been paid accordingly to these Stock Exchanges.

Shares are quoted under the following Codes

Stock Exchange	Code No.
Delhi Stock Exchange (DSE)	12004
The Stock Exchange, Mumbai (BSE)	17206
National Stock Exchange of India Ltd. (NSE)	5251

5. Consolidation of Folios and avoidance of multiple mailings :

Members who have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to

consolidate all similar holdings under one folio so as to enable the company to reduce the service costs. This would also help the shareholders to avoid opening of more than one demat account for demating their shares. Members may write to the Share Department of the company, indicating the folio numbers to be consolidated.

6. Mandate :

In order to avoid fraudulent encashment of dividend warrants, Members who hold shares in the physical form, are requested to advise their bank account details to the company immediately.

Members who hold shares in demat form are requested to send the Bank particulars to their respective Depository Participants (DP).

7. Exchange of Laser Lamps (Haryana) Ltd. Share Certificates:

A Large number of shareholders of erstwhile Laser Lamps (Haryana) Ltd. (LLHL) have not yet surrendered their share certificates consequent to the merger of that company, even after repeated reminders. They are once again requested to send the LLHL certificates to the Share Department of the Company, without any further delay, so that, the corresponding share certificates of Lumax may be despatched to them.

However, for those shareholders who have already opened demat accounts, shares can be directly demated and credited in their account. Such members are requested to contact share department of the company for our further action.

8. Share Transfer System :

The Company has in-house facility to undertake transfer of shares in physical form. Transfers are completed normally within a period of 15 days from the date of receipt of documents, if the documents are clear in all respects. The Share Transfer Committee of the Company meets twice in a month in this connection. M/s MCS Ltd., New Delhi has since been appointed as Registrar and Transfer Agent (RTA) for transfers in Electronic Form.

Total number of shares transferred during the year was 4.48 lac shares. The details of time taken by the Company to complete the share transfers are given below :

Transfer Period in days	No. of Shares (in Lacs)	Percentage
1 to 15 days	4.18	93.30
16 to 30 days	0.12	2.68
* 31 days & above	0.18	4.02

* Include cases with defects in documents and lodgement during book closing period. All the above transfers are physical ones.

All correspondence related to share transfers and investors' service should be addressed to the share department of the Company.

9. Investors' Services :

Correspondence / Complaints received during the year.

Nature of Correspondence/ Complaints	Received (in Nos.)	Cleared (in Nos.)
(i) Change of Address/Mandate etc.	350	350
(ii) Non-receipt of Exchange/Transfer Share Certificate	46	46
(iii) Letters from SEBI/Stock Exch. etc.	5	5
(iv) Issue of duplicate/revalidated Dividend Warrants etc.	130	130

The company has attended to all the correspondence within an average of 10 days period from the date of receipt.



Lumax Industries Limited

10. Categories of Shareholders as on 31st July, 2000

Category	No. of shareholders	Voting strength (%)	No. of Shares held (nos. in lacs)
Promoters/Directors/their Relatives	34	34.74	29.01
Collaborators	02	17.97	15.00
Resident Individuals	19023	28.47	23.76
Banks and Financial Institutions/Mutual Funds	16	01.81	1.50
NRIs/FIIs	13	00.52	0.44
Bodies Corporates	155	16.49	13.76
Total	19243	100.00	83.47

11. Distribution of shareholding as on 31st July, 2000

No. of equity shares held	No. of shareholders	Percentage of shareholders	No. of Shares	Percentage of shareholding
01 - 500	18747	97.43	17,74,777	21.25
501 - 1000	267	01.38	2,11,800	02.53
1001 - 2000	114	00.59	1,72,025	02.06
2001 - 3000	31	00.16	78,045	00.94
3001 - 4000	14	00.07	52,550	00.64
4001 - 5000	7	00.04	32,250	00.39
5001 - 10000	19	00.10	1,27,600	01.52
10001 and above	44	00.23	58,98,685	70.67
Total	19243	100.00	83,47,732	100.00

12. High and Low quotations of shares at BSE and NSE :

Aug.1999-Jul. 2000	BSE		NSE		Volume (NSE & BSE) (shares in '000s)
	High Rs.	Low Rs.	High Rs.	Low Rs.	
Aug. 1999	89.00	46.55	91.00	47.25	381
Sep. 1999	80.75	67.00	80.90	66.00	467
Oct. 1999	77.50	60.00	75.95	61.65	215
Nov. 1999	59.50	49.00	60.10	48.10	127
Dec. 1999	75.55	45.57	72.00	46.85	344
Jan. 2000	67.00	46.05	67.00	50.00	136
Feb. 2000	62.00	46.20	66.00	48.50	294
Mar. 2000	55.00	44.20	60.20	46.00	93
Apr. 2000	47.00	37.20	48.00	40.25	61
May. 2000	56.45	40.50	59.65	42.15	86
Jun. 2000	46.90	38.95	46.90	38.10	50
July 2000	45.00	37.60	42.65	34.80	71

No trading of Company's shares has taken place in Delhi Stock Exchange during the above period.

13. Financial Highlights for the last 10 years.

	99-00	98-99	97-98	96-97	95-96	94-95	93-94	92-93	91-92	90-91
Paid-up Equity (Rs in lacs)	834.77	834.77	834.77	594.75	594.75	594.75	189.90	189.90	189.90	94.95
Net Sales (Rs in lacs)	18190	14026	13020	12421	10250	6865	5308	4090	3559	2866
Net Profit After Tax (Rs in lacs)	400	349	610	855	568	312	203	157	156	143
Earning per share (Rs)	4.80	4.19	7.31	14.37	9.55	5.24	10.70	8.26	8.25	15.13
Dividend (in %)	22	22	22	22	20	18	24	18	18	25
Bonus Issue Ratio	-	-	-	-	-	3:2	-	-	1:1	-
Book Value (Rs)	89.43	86.83	84.56	80.87	68.97	48.22	78.75	70.49	41.55	70.20
Market Price (Rs.)										
High	91	70	124	130	142	310	170	175	130	100
Low	35	27	42	69	95	110	47	50	70	39



Lumax Industries Limited

NOTICE TO MEMBERS

Notice is hereby given that the 19th Annual General Meeting of the Shareholders of the Company will be held on **MONDAY THE 18TH SEPT. 2000 AT 10.30 A.M. AT FICCI GOLDEN JUBILEE AUDITORIUM, TANSEN MARG, NEW DELHI-110001** to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March 2000 and the Directors' and Auditors' Report thereon.
2. To declare the Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Mahesh K. Jain who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. U.K. Jain who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors M/s K.S. Gupta & Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS :

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

"Resolved that M/s D.R. Barve and Company, Pune be and is hereby re-appointed as Branch Auditors for the audit of the accounts of Pune, Aurangabad and Chakan branches of the Company, and the Company hereby authorise the Board of Directors to fix the terms and conditions of their appointment including the remuneration payable to them."

7. To consider and if thought fit, to pass with or without modification the following as ordinary resolution :-

"Resolved that Mr. B.B. Gupta, who was appointed by the Board as an Additional Director of the Company w.e.f. 07-07-2000 and who holds the office upto the date of this AGM, and in respect of whom the Company has received a Notice in writing from a member as required under Section 257 of the Companies Act, 1956 proposing his candidature for the Office of the Director, be and is hereby appointed as Director of the Company."

"Resolved further that in accordance with the provisions of Section 198, 269 and 309 read with Schedule XIII and all other relevant provisions of the Companies Act, 1956, consent of the company is hereby accorded to the appointment of Mr. B.B. Gupta as Sr. Executive Director for a period of 3 years w.e.f. 07-07-2000 on a salary of Rs.37,500 p.m. plus other allowances and perquisites as set out in the agreement duly approved by the Board (a copy of which is placed in the meeting) and the brief details of which are set out in the explanatory statement annexed to this notice."

"Resolved further that in the absence of or inadequacy of net profit during any financial year, Mr. B.B. Gupta shall be paid the salary and other perquisites as detailed in the agreement entered with him, as minimum remuneration which shall further be within the overall ceiling as specified in Section II of Part II of Schedule XIII of the Companies Act, 1956."

8. To consider and if thought fit, to pass with or without modification the following as ordinary resolution :-

"Resolved that Mr. K. Orii, a nominee of Stanley Electric Co. Ltd., Japan, who was appointed by the Board as an Additional Director of the Company w.e.f. 21-07-2000 and who holds the office upto the date of this AGM, and in respect of whom the Company has received a Notice in writing from a member as required under Section 257 of the Companies Act, 1956 proposing his candidature for the Office of the Director, be and is hereby appointed as Director of the Company."

"Resolved further that in accordance with the provisions of Section 198, 269 and 309 read with Schedule XIII and all other relevant provisions of the Companies Act, 1956 and subject to the approval of Central Government, consent of the company is hereby accorded to the appointment of Mr. K. Orii as Executive Director for a period of 2 years w.e.f. 21-07-2000 on a salary of Rs.65,000/- p.m. together with other allowances and perquisites as per the Agreement duly approved by the

Board (a copy of which is placed in the meeting) and the brief details of which are set out in the explanatory statement annexed to this notice."

"Resolved further that in the absence of or inadequacy of net profit during any financial year, Mr. K. Orii shall be paid the salary and other perquisites as detailed in the agreement entered with him, as minimum remuneration which shall further be within the overall ceiling as specified in Section II of Part II of Schedule XIII of the Companies Act, 1956."

9. To consider and if thought fit, to pass with or without modification the following 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 regulations as applicable, the Articles of Association of the Company be and are hereby altered as under:

- A. After Article 69, a new Article 69 A be inserted as under :-
69A Nomination :

Notwithstanding anything contained in articles 65, 66 & 69, a holder or joint holder of shares, may nominate, in accordance with the provisions of section 109A of the Companies Act, 1956 and in the manner provided thereunder a person to whom all the rights and in the shares of the company shall vest in the event of death of such share holder/s. Any nominations so made shall be dealt with by the company in accordance with Section 109 B of the Companies Act, 1956.

- B. Insert the following heading and article as Article 79A, after Article 79.

Dematerialisation of Securities.

79A (1) Definitions

For the purpose of this Articles :

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

'SEBI' means the Securities & 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.

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

(2) Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialise its securities and to offer securities in dematerialised form pursuant to the provisions of the Depositories Act, 1996.

(3) Issue of Securities and option for investors

Notwithstanding anything contained in these Articles, every issue of securities 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 dematerialise 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.

(4) Securities in depository mode to be in fungible form

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, 153A, 153B, 187B, 187C and 372 of the Act shall apply.

(5) Right of Depositories and Beneficial Owners

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owners 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 security 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