

ANNUAL REPORT

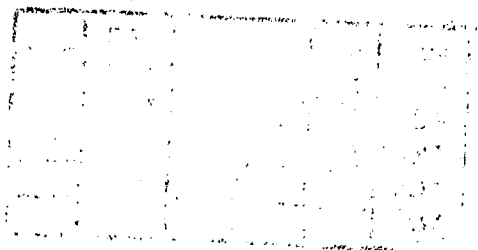
1997 - 98

MD	✓		BKC	✓
CS	✓		DPY	AA
RO	✓		DIV	AA
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		

ONIDA

ONIDA SAKA

L I M I T E D



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BOARD OF DIRECTORS

G.K. Mittal
N.K. Shinghal
V.K. Gupta

Additional Director

Company Secretary
Sunil Bhatia

Auditors
J. L. Garg & Co.
Chartered Accountants,
102, Skylink,
E-588, Greater Kailash-II,
New Delhi-110 048

Regd. Office
A-19, B-1,
Mohan Co-operative Industrial Estate,
Mathura Road, Badarpur,
New Delhi-110044

WORKS/DIVISIONS
Pithampur (M.P.)
Noida, Phase II (U.P.)

Bankers
State Bank of Bikaner & Jaipur
State Bank of Hyderabad
State Bank of Patiala

Share Transfer Agent
Allied Computer Technics Pvt. Ltd.,
Flat No. 18, Local Shopping Centre
Block 'A', Naraina,
New Delhi-110 028.

NOTICE

NOTICE is hereby given that the sixteenth annual general meeting of the members of the **ONIDA SAKA LIMITED** will be held on Wednesday, the 16th day of September, 1998 at 3.00 P.M. at Air Force Auditorium, Subroto Park, New Delhi 110 010 to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet as at 31st March, 1998 and Profit & Loss Account for the year ended on that date along with the reports of auditors' and directors' thereon.
2. To appoint a director in place of Mr G.K. Mittal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:
"RESOLVED THAT M/s. J.L. Garg & Co., Chartered Accountants, be and are hereby appointed as the auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting, at a remuneration to be decided by the Board of Directors."

AS SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:
"RESOLVED THAT subject to the provisions of section 257 of the Companies Act, 1956 and in terms of the Article 118 of the Articles of Association of the company, Mr V.K. Gupta, who was appointed as an additional director be and is hereby appointed as a director of the company whose period of office will be liable to determination by retirement by rotation."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:
"RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals, if any, required in connection therewith, the consent be and is hereby accorded to sell, lease or otherwise dispose of company's property situated at GA-1, B-1 Extn., Mohan Co-operative Industrial Estate, Mathura Road, Badarpur, New Delhi -110 044 for such consideration and upon such terms and subject to such conditions as may be agreed upon by the Board in the best interest of the company with further authority to do all such acts, deeds, matters and things as may be necessary, expedient and proper to give effect to this resolution having regard to all the circumstances and factors prevailing at the relevant time."
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **special resolution**:
"RESOLVED
THAT the Board of Directors of the company be and is hereby authorised to delist the equity shares of the company from one or more of the following stock exchanges i.e. The Stock Exchange Mumbai, The Calcutta Stock Exchange Association Ltd., Madras Stock Exchange Ltd., Bangalore Stock Exchange Ltd. and The Stock Exchange Ahmedabad.
FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient and proper to give effect to this resolution.
FURTHER THAT the Board be and is hereby authorised to make such applications/sign agreements and give declarations/ undertakings as may be required by the Stock Exchanges / Securities & Exchange Board of India and to accept amendments, modifications and alterations as may be suggested by these authorities."

By order of the Board

SUNIL BHATIA
Company Secretary

New Delhi, July 31, 1998

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT TIME OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 12th September, 1998 to 16th September, 1998 (both days inclusive).
3. The unclaimed dividend for the financial year 1994-95 will be transferred to the Central Government Revenue Account in the month of October, 1998. Therefore, the members who have not claimed the dividend for the year 1994-95 are requested to apply to the Company for the payment of dividend immediately.
4. Explanatory statement pursuant to section 173(2) is appended below.

EXPLANATORY STATEMENT

(Under Section 173(2) of the Companies Act, 1956)

Item No: 4

Mr V. K. Gupta was appointed as an additional director of the company by the Board of directors on 31st March, 1998 under Section 260 of the Companies Act, 1956 and Article 118 of the Articles of Association of the company. Accordingly he holds office upto the date of the ensuing annual general meeting. The company has received a notice from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr V. K. Gupta for the office of the director. The Board considers it desirable that the company should continue to avail itself of Mr V. K. Gupta's services. The directors recommend the resolution for shareholders' approval. None of the Directors except Mr V. K. Gupta is interested in the resolution.

Item No: 5

In light of your company's restructuring programme it is proposed to sell, lease or otherwise dispose of its property situated at GA-1, B-1 Extn., Mohan Co-operative Industrial Estate, Mathura Road, Badarpur, New Delhi -110 044. The Board of directors have already approved the proposal of selling, leasing or otherwise disposing of the above property in their meeting held on 31st July, 1998. Under section 293(1)(a) of the Companies Act, 1956 shareholders' approval is required for giving effect to the above. The directors recommend the resolution for shareholders' approval. None of the Directors is concerned or interested in the resolution except as a shareholder of the company.

Item No: 6

At present equity shares of the company are listed at Delhi, Mumbai, Calcutta, Madras, Bangalore and Ahmedabad Stock Exchanges. As per the terms of the Listing Agreement, substantial amounts are being paid annually to the Stock Exchanges towards listing fees without corresponding benefits accruing. Approximately 57% of the shareholders fall in the jurisdiction of Delhi Stock Exchange. Securities & Exchange Board of India has framed guidelines permitting companies to delist from stock exchanges after passing special resolution in the General Meeting of the company and giving an exit opportunity to the holders of the security. The Board of Directors feel that the shares of the company be delisted from Mumbai, Calcutta, Madras, Bangalore and Ahmedabad Stock Exchanges. The Directors recommend the special resolution for shareholders' approval. None of the directors is in any way concerned or interested in this resolution except as a shareholder of the company.

By order of the Board

SUNIL BHATIA
Company Secretary

New Delhi, July 31, 1998

REPORT OF DIRECTORS

The directors submit their report and accounts for the financial year 1997-98.

OPERATIONS

During the year company had a turnover and other income of Rs. 3179 lacs and a profit after tax of Rs. 34 lacs.

The year 1997-98 was very difficult year for the company mainly due to price war in the Colour Television market that in turn has very badly affected the B&W TV market. While the CTV market has shown a growth of more than 20% in the previous year, there was no growth in the B&W TV market. In view of the poor margins and virtually no growth prospects in Black & White TV segment, the company has taken a strategic decision to shift its operations from B&W TV to Colour TV. With the company's entry into CTV segment, your directors are confident of playing an important role for the ONIDA Group.

DIVIDEND

In view of inadequate profits the directors do not recommend any dividend for the year 1997-98.

AUDITORS' REPORT

Auditors' observations are self explanatory and/or explained suitably in the notes on accounts.

DIRECTORS

Mr Bhagwan Malani resigned from the Board w.e.f. 15th January 1998. Your directors wish to place on record the appreciation for the services rendered by Mr Bhagwan Malani. Mr V. K. Gupta joined the Board as an additional director w.e.f. 31st March, 1998. He will hold office up to the date of forthcoming annual general meeting of the company. The company has received a notice from a member proposing the name of Mr V. K. Gupta for appointment as a director of the company. In accordance with the provisions of Companies Act, 1956 Mr G.K. Mittal retires by rotation and being eligible, offers himself for re-appointment.

AUDITORS

The auditors J.L. Garg & Co. retire and offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EARNINGS AND OUTGO.

Information as per section 217(1)(e) of the Companies Act 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and under section 217(2A) of the said Act read with the Companies (Particulars of Employees) Rules 1975 are set out in annexure 'A' and 'B' respectively to the directors' report.

PERSONNEL

The directors wish to place on record their appreciation for the services rendered by all the employees of the company. It is gratifying to note that the industrial relations remained cordial and peaceful.

ACKNOWLEDGEMENT

Your directors also wish to thank and deeply acknowledge the continued valuable assistance, co-operation and support extended by the central and state government authorities and banks. The Board also gratefully acknowledges the support and the goodwill extended by the dealers, customers, suppliers and shareholders of the company.

For & on behalf of the Board,

(G.K. Mittal)
(V.K. Gupta)
DIRECTORS

New Delhi, July 31, 1998

ANNEXURE "A" TO DIRECTORS' REPORT

Particulars as required under Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988, and forming part of the Directors' Report for the year ended 31st March, 1998.

1. CONSERVATION OF ENERGY

a) Energy Conservation measures taken.

There has been a conscious and concerted drive towards conservation of energy in all its forms in all the divisions of the company. Your company has been able to bring about general awareness amongst workers for further conservation of energy by restrictive use of electricity through quality circle meetings.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.

Energy conservation is an on-going process in the company. Besides the measure already taken, the efforts are continuing to examine and implement fresh proposals for further conservation of energy.

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

Energy conservation measures have lowered the energy cost and have therefore reduced cost of production.