

ANNUAL REPORT
1999 - 2000



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ONIDA SAVAK LIMITED

ONIDA SAVAK LIMITED

BOARD OF DIRECTORS

Sonu L. Mirchandani	<i>Managing Director</i>
Ramesh Chandra Misra	
Arun Kumar Banerjee	
Daya Prasad Maheshwari	
Akhil Swami	<i>Nominee (PICUP)</i>

AUDITORS

M/s Goel Garg & Co.
Chartered Accountants,
E-588, Greater Kailash-II,
New Delhi-110 048

REGD. OFFICE & WORKS

B-205 & 204 Phase-II,
Noida - 201 305
District Gautam Budh Nagar
Uttar Pradesh

CORPORATE OFFICE

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

BANKERS

State Bank of India
Dena Bank
State Bank of Hyderabad
The Sanwa Bank Ltd.
ANZ Grindlays Bank

SHARE TRANSFER AGENT

Allied Computer Technics Pvt. Ltd.,
Flat No. 18, Local Shopping Centre
Block 'A', Naraina,
New Delhi-110 028.
Phone: (011) 5796461, 5795118

ONIDA SAVAK LIMITED**NOTICE**

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of the **ONIDA SAVAK LIMITED** will be held on Friday, the 29th day of September, 2000 at 9.00 A.M. at Plot No. A-1, Phase-II, Noida, Distt. Gautam Budh Nagar - 201 305 (U.P.) to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 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 A.K. Banerjee, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr D.P. Maheshwari, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT M/s. Goel Garg & Co., Chartered Accountants, be and are hereby appointed as the auditors of the company to hold office from the conclusion of the Thirteenth Annual General Meeting until the conclusion of the next Annual General Meeting, at a remuneration to be decided by the Board of Directors."

5. To consider, and, if thought fit, to pass with or without modifications(s), the following resolution as **"SPECIAL RESOLUTION"**

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below:

- a. Article 2 of the Articles of Association shall include the following definitions at the appropriate places:

"Beneficial Owner"	'Beneficial Owner' shall mean beneficial owner as defined under clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
"Depository"	'Depository' shall mean a Depository as defined under clause(e) of sub-section (1) of Section 2 of the Depositories Act, 1996.
"Depositories Act, 1996"	'Depositories Act, 1996' shall include any statutory modification or re-enactment thereof for the time being in force.
"Securities & Exchange Board of India"	'Securities and Exchange Board of India' means Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
"Member"	'Member' means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as a beneficial owner in the records of the depository.
"Record"	'Record' includes the records maintained in the form of books or stored in a computer or in such other form or medium as may be determined by regulations made by the SEBI Board.
"Regulations"	'Regulations' mean the regulations made by the SEBI Board.
"Security"	'Security' means such security as may be specified by the SEBI Board.
Dematerialisation of Securities	(B) Either on the Company or on the investor exercising an option to hold his securities with a Depository in a dematerialised form, the Company shall enter into an agreement with the Depository to enable the investor to dematerialise the securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Option to receive security certificates or hold securities with Depository	(C) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a Depository. Where a person opts to hold a security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its Record the name of the allottee as the beneficial Owner of such Security.

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Securities in Depository to be in fungible form	(D) All securities held by a Depository shall be de-materialised and shall be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187C and 372A of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owner.
Rights of Depository and Beneficial Owner	(E) (1) Notwithstanding any thing to the contrary contained in the 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. (2) Save as otherwise provided in (1) above, the Depository as a registered ownershall not have any voting rights or any other rights in respect of securities held by it. (3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository to furnish information	(F) Every Depository shall furnish to the Company information regarding the transfer of Securities in the name of the Beneficial Owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Option to opt out in respect of any security	(G) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall, on receipt of an intimation as above, make appropriate entrie; in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the Depository and On fulfillment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificate of securities to the Beneficial Owner or the transferee, as the case may be.
Section 83 and 108 of the act not to apply	(H) Notwithstanding anything to the contrary contained in the Articles : (1) Section 83 of the Act shall not apply to the shares held with a Depository. (2) Section 108 of the Act shall not apply to a transfer of security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Service of documents	(I) Notwithstanding anything contained in the Act or these Articles, where securities are held in a Depository, the Records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
Allotment of securities dealt within a Depository	(J) Notwithstanding anything contained in the Act or these Articles where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on the allotment of such securities.
Distinctive numbers of securities held in a	(K) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company Depository shall apply to Securities held with a Depository.
Register and Index of Beneficial Owners	(L) 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 Security holders for the purposes of the Act and of these Articles.

To introduce the following as the last paras to Article 2 :

"Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures & other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form."

"Words and expressions used and not defined in this Act but defined in the Depositories Act, 1996 shall have the same meanings respectively assigned to them in that Act."

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- b. Article 12 the following Article shall be substituted as follows:

"Register and Index of Members

The Company shall cause to be kept a Register and Index of Members in accordance with Section 150 and 151 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 Register and Index of Members of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of members for the purpose of this Act. The Company shall have the power to keep in any State or country outside India, a branch Register of members resident in that state or country."

- c. After Article 12, the following Article will be inserted as Article 12A and shall read as follows:

"Power to Company to dematerialise and rematerialise

12A The Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and/or offer its fresh shares & debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any."

- d. After Article 12A the following Article will be inserted as Article 12(b) and shall be read as follows :

"Specific beneficial provisions of Companies Act, 1956 not to apply

12(b) In respect of the shares, debentures and securities held by Depository on behalf of the beneficial owners as defined in the Depositories Act, 1996, the provisions of Section 153, 153A, 153B, 187B, 187C and 372 of the Act shall not apply."

- e. After 13 of the Articles of Association shall be substituted as follows:

"Shares to be numbered progressively and no share to be subdivided

The shares in the capital be numbered progressively according to their several denominations provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in dematerialised form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished."

- f. In Articles 20(a) after the last sentence, the following words be added:

"provided however, no share certificate(s) shall be issued for shares held by a Depository."

- g. Articles 23 of the Articles of Association shall be substituted as follows :

"Company not bound to recognise any interest in share other than that of registered holder or beneficial owner

Except as ordered by a court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the beneficial owner of shares in the record of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall however express or implied notice thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them."

- h. In Article 51 after the words "transmission of any share" the following words be added.

"including the shares held in material form"

- i. After Article 51 the following Article will be inserted as Article 51A and shall be read as follows:

"Shares held in electronic and fungible form

51A In the case of transfer of shares, debentures or other marketable securities where the Company has not issued any certificate and where such shares or debentures or securities are being held in an electronic and fungible form, the provisions of Depositories Act, 1996 shall apply."

- j. Articles 52 of the Articles of Association shall be substituted as follows :

The instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies Act, and or any Statutory modification thereof for the time being shall be duly complied with, in respect of all transfer of shares and their restrictions thereof except in case of transfer of Securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the Company.

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- k. Article 71 of the Articles of Association shall be substituted as follows:

"Register and Index of
the Debenture Holders

The Company shall, if at any time issues debentures, keep a Register and Index Debentureholders in accordance with Section 152 of the Act and the Depositories Act, 1996. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Debenture holders for the purpose of this Act. The Company shall have the power to keep in any State or country outside India a branch Register of Debentureholders resident in that state or country.

- l. In Article 191 of the Articles of Association, after the words "or by leaving it at the office," the following words be added:
"Provided that where the securities are held in a depository, the records of the beneficial ownership may be served by such depositories on the company by means of electronic mode or by delivery of depository floppies or discs."

By order of the Board

SONU L. MIRCHANDANI
Managing Director

Noida, 28th July, 2000

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 Saturday, the 23rd day of September, 2000 to Friday, the 29th day of September, 2000 (both days inclusive).
3. In terms of notification issued by Securities and Exchange Board of India (SEBI) equity shares of the company will be under compulsory Demat trading by all investors w.e.f. 30th October, 2000. Shareholders are therefore advised to dematerialise their share holding to avoid inconvenience in future.
4. It will be appreciated that queries, if any, on accounts and operation of the Company are sent to the Company ten days in advance of the meeting so that the answer may be made readily available.
5. Pursuant to Section 205 of the Companies Act, 1956, the unclaimed dividend upto the financial year 1993-94 and interim dividend for the financial year 1994-95 has been deposited in the General Revenue Account of the Central Government. Members who have so far not claimed or collected their dividend of the aforesaid financial year may claim their dividend from the Registrar of Companies, Uttar Pradesh.
6. Members are requested to produce the enclosed attendance slip duly signed, in accordance with specimen signatures registered with the Company for admission to the meeting place.
7. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is appended below.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**Item No. 5**

The Company's Equity Shares have been inducted into the Depository System of the National Securities Depository Limited and Central Depository Services (India) Limited as an eligible security under the Depositories Act, 1996.

In the context of Depositories Act, 1996 and amendments to certain provisions of Companies Act, 1956 new Article is proposed to be introduced briefly describing the different concepts under the Depository System.

The Special Resolution at Item No. 5 is therefore commended to the shareholders for their approval.

None of the Directors of the Company is concerned or interested in the Resolution.

Article of Association of the Company referred to in the resolution at Item 5 together with the proposed alteration are available for inspection for the shareholders at the Company's Registered Office during business hours on any working day (Monday to Saturday except Public holidays).

By order of the Board

SONU L. MIRCHANDANI
Managing Director

Noida, 28th July, 2000

ONIDA SAVAK LIMITED**REPORT OF DIRECTORS**

The directors submit their report and accounts for the financial year 1999-2000.

FINANCIAL RESULTS

	For the year ended March 31, 2000 (Rs. in lacs)	For the year ended March 31, 1999 (Rs. in lacs)
Sales & other income	2351.54	4064.57
Gross Profit/(Loss) before Depreciation & Tax	(1486.58)	(2610.60)
Less Depreciation	(291.07)	(281.62)
Profit/(Loss) after Tax	(1777.65)	(2892.23)
Add/(Less) Prior period expenses(net)	(8.49)	(2.20)
Surplus/(Loss) as per last Balance Sheet	(3481.93)	(587.49)
Profit/(Loss) transferred to Balance Sheet	(5268.07)	(3481.93)

OPERATIONS & FUTURE OUTLOOK

During the year the production of Washing Machine was 21,309 Nos. and Tuner was 2,97,793 Nos. as against 39,502 Nos. of Washing Machines and 3,46,803 Nos. of Tuners during 1998-99.

Auditors in their report for the year 1998-99 had reported the company as sick industrial company within the meaning of Clause 'O' of Sub-section (1) of Section-3 of the Sick Industrial Companies (Special Provision) Act, 1985. Accordingly the company has made a reference to the Board for Industrial & Financial Restructure (BIFR) under Section - 15(1) of Sick Industrial Companies Special Provision Act 1985. The company was duly registered vide Registration No. 191/99 with BIFR. Further to this the Operative Agency-IDBI has declared the Company as Sick.

During the year, the insurance company has cleared our claim for Rs. 569.55 lacs, out of which a sum of Rs. 74.18 lacs has been withheld by insurance Company/Company Bankers due to withdraw of NOC by ANZ Grindalays Bank and thereby affecting our planned revamping.

With reference being made to BIFR, the company is hopeful that under the guidance of BIFR, viable re-structuring of the operations of the company shall be done and the company will show some positive results in near future.

The Directors are pleased to inform you that during the year the company was awarded the Best Suppliers award for the outstanding performance in QCA (Quality, Cost, Delivery) by Sony (India) Ltd. for the Tuners supplied to them. As tuner technology is fast changing, the company is negotiating with Sony Electronics, Japan and Samsung Electronics, Korea for introduction of latest model of tuners in Indian market.

DIVIDEND

In view of losses incurred by the directors do not recommend any dividend.

AUDITORS' REPORT

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

DIRECTORS

Mr A.K. Banerjee and Mr D.P. Maheshwari, Directors of the Company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. Your Directors recommend his re-appointment.

AUDITORS

M/s Goel Garg & Co., Chartered Accountants, New Delhi, auditors of the company hold office till the conclusion of the ensuing annual general meeting and are recommended for re-appointment.

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 cordial and harmonious relations prevailed between the employees and the management.

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

Information under Section 217(1)(e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure 'A' and forms part of this Report.