

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

PREMIER TYRES LIMITED



***37th Annual Report
1997-98***

PREMIER TYRES LIMITED

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PREMIER TYRES LIMITED

BOARD OF DIRECTORS

ONKAR S. KANWAR

CHAIRMAN

K. JACOB THOMAS

MANOJ JOSHI

KERALA GOVERNMENT NOMINEE

NEERAJ KANWAR

N. SREEKUMAR

PROSAD DASGUPTA

P.N. WAHAL

R. PARAMESWAR

BIFR NOMINEE

U.S. OBEROI

VINOD RAI

KERALA GOVERNMENT NOMINEE

V.K. MISRA

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COMPANY SECRETARY

PRADEEP KUMAR

AUDITORS

H.N. MEHTA ASSOCIATES

REGISTERED OFFICE

ZAABIL BUILDING
OLD THEVARA ROAD
KOCHI - 682 016
(KERALA)

BANKER

BANK OF INDIA

PREMIER TYRES LIMITED

Regd. Office: Zaabil Building, Old Thevara Road, Kochi - 682 016.

NOTICE

Notice is hereby given that the Thirty Seventh Annual General Meeting of the Members of Premier Tyres Limited will be held at Sowbagh, Bharat Hotel (BTH), Durbar Hall Road, Ernakulam, Kochi 682016 on Wednesday, 22nd July, 1998 at 4:00 P.M. to transact the following business:-

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 1998 and the Reports of the Directors and of the Auditors thereon.
2. To appoint a Director in place of Shri P.N.Wahal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri U.S.Oberoi 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 H.N.Mehta Associates, Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold Office until the conclusion of the next Annual General Meeting of the Company for auditing the Accounts for the Year 1998-99 and that the Board of Directors be and is hereby authorised to fix their remuneration plus travelling and out of pocket expenses for audit."

Special Business

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

"RESOLVED THAT Shri Neeraj Kanwar be and is hereby appointed as a Director of the Company and is liable to retire by rotation."

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

"RESOLVED THAT Shri Prosad Dasgupta be and is hereby appointed as a Director of the Company and is liable to retire by rotation."

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

"RESOLVED THAT Shri V.K. Misra be and is hereby appointed as a Director of the Company and is liable to retire by rotation."

By order of the Board
For PREMIER TYRES LIMITED



PRADEEP KUMAR
Company Secretary

New Delhi
19th June, 1998

PREMIER TYRES LIMITED

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The enclosed proxy form, if intended to be used, should reach the Registered Office of the Company duly completed not less than forty eight hours before the scheduled time of the Meeting.
2. Please bring your copy of the Annual Report to the Meeting.
3. Members/Proxies are requested to deposit the enclosed admission slip duly filled in and signed for attending the Meeting.
4. Members intending to require information about Accounts to be explained at the Meeting are requested to write to the Company at least ten days in advance of the Annual General Meeting.

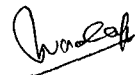
Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 5, 6 & 7

Shri Neeraj Kanwar, Shri Prosad Dasgupta and Shri V.K. Misra were appointed as additional Directors in pursuance of Article 108 of the Articles of Association of the Company w.e.f. 29th August, 1997, 22nd November, 1997 and 19th June, 1998 respectively. They hold office until the forthcoming Annual General Meeting. Notices under Section 257 of the Companies Act, 1956 have been received from members signifying their intention to propose them as Directors in the forthcoming Annual General Meeting.

None of the Directors except Shri Neeraj Kanwar, Shri Prosad Dasgupta, Shri V.K. Misra and Shri Onkar S.Kanwar being father of Shri Neeraj Kanwar are interested in these items.

By order of the Board
For PREMIER TYRES LIMITED



PRADEEP KUMAR
Company Secretary

New Delhi
19th June, 1998

PREMIER TYRES LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Annual Report and Audited Accounts of the Company for the Financial Year ended 31st March, 1998.

1. FINANCIAL RESULTS	YEAR ENDED	
	31.03.98	31.03.97
	(Rs./lacs)	
Sale/Other Income	1356	1523
Profit before Depreciation & Interest	1242	899
Depreciation	45	47
Interest	14	212
Profit after Depreciation & Interest	1183	640

2. OPERATIONS

Gross Income during the year ended 31st March, 1998 amounted to Rs.1,356 lacs as against Rs.1,523 lacs during the previous year. It includes Lease Rental income of Rs.750 lacs (previous year Rs.1,500 lacs) received from Apollo Tyres Ltd., the Holding Company, in accordance with the Rehabilitation Scheme of BIFR and amount of Rs.557.73 lacs received for surrendering tenanted premises at Bombay. After providing for Depreciation of Rs.45 lacs (previous year Rs. 47 lacs) and finance charges amounting to Rs. 14 lacs (previous year Rs. 212 lacs), Net Profit during the year ended 31st March, 1998 amounted to Rs.1,183 lacs as against Rs.640 lacs during the previous year. The accumulated losses as at the end of 31st March, 1998 amounted to Rs.2,059 lacs against the share capital of Rs.1,324 lacs.

All the dues payable to Banks & Institutions in terms of the Rehabilitation Scheme as approved by BIFR have been paid in full during April, 1997.

3. DIVIDEND

In view of the accumulated losses, no dividend is being recommended by the Directors for the period under review.

4. DIRECTORS

ICICI has withdrawn nomination of its Nominee Director Shri P.M. Belliappa from the Board of the Company on final payment of their dues, w.e.f. 7th October, 1997. The Board places on record its appreciation of the services rendered by Shri P.M. Belliappa.

Govt. of Kerala nominated Shri Vinod Rai as a Director in place of Shri Alok Sheel w.e.f. 8th January, 1998. The Board places on record its appreciation of the services rendered by Shri Alok Sheel.

Shri Neeraj Kanwar, Shri Prosad Dasgupta and Shri V.K. Misra were co-opted as Additional Directors on the Board of the Company w.e.f. 29th August, 1997, 22nd November, 1997 and 19th June, 1998 respectively. They will hold office upto the forthcoming Annual General Meeting. Notices under Section 257 of the Companies Act, 1956 have been received from members intending to propose their appointment as Directors of the Company at forthcoming Annual General Meeting.

Shri P.N. Wahal and Shri U.S. Oberoi, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

PREMIER TYRES LIMITED

5. COST AUDIT

The Govt. has exempted the Company from the Cost Audit requirement for the year 1995-96 to 1997-98 vide their Order dated 14th January, 1997. The exemption is granted in pursuance of the request made by the Company to exempt it from the requirement of Cost Audit, as the Plant is leased out to Apollo Tyres Ltd. under BIFR Rehabilitation Scheme. However, the cost audit report of the Unit shall be submitted by Apollo Tyres Ltd., the Holding Company. Application to the Central Govt. is being made for granting exemption for cost audit for the year 1998-99 and thereafter.

6. AUDITORS

M/s H.N. Mehta Associates (Re-organised firm of M/s. H.N. Mehta & Co.) Chartered Accountants, Auditors of the Company will retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Plant has been leased out to Apollo Tyres Ltd. under the BIFR Rehabilitation Scheme, and the Company itself is not doing any manufacturing activities of its own, information in accordance with the provisions of 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, in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are not required to be furnished.

8. AUDITOR'S REPORT

The Notes on the Statement of Accounts referred to in the Report of the Auditors have been suitably explained by way of Notes to the Accounts.

9. PERSONNEL

There are no employees during the year drawing remuneration specified under section 217 (2A) of the Companies Act, 1956. Therefore, such particulars are not required to be furnished.

The payment of VRS and retirement benefits made to employees under VRS Scheme as envisaged in BIFR Rehabilitation Plan has not been considered as remuneration.

The Industrial relations during the year were satisfactory barring lockout due to labour problem during April, 1998 which resulted in loss of production for 12 days. However, the matter has been amicably resolved and a 3 years' Long Term Settlement has been signed with the Unions on 29th April, 1998.

10. APPRECIATION

Your Directors are thankful to the Govt. of Kerala, Financial Institutions, Banks, Creditors and Suppliers for posing their confidence in your Company. Your Directors also sincerely applaud committed efforts being made by employees of the Company on every front.

For and on behalf of the Board of Directors

Onkar Kanwar

ONKAR S. KANWAR
Chairman

New Delhi.
19th June, 1998