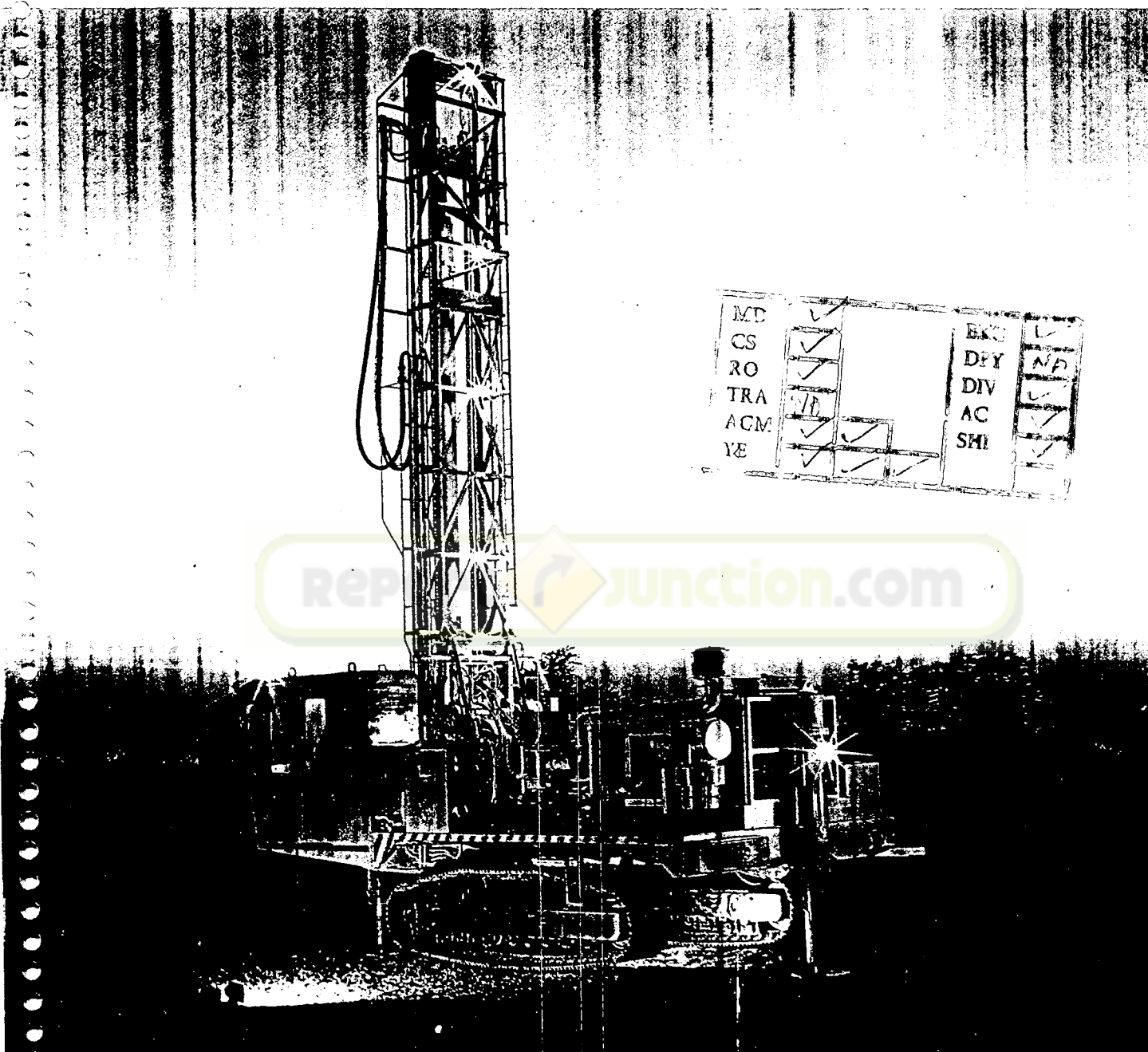




# 96-97



*20th Annual Report  
1996-97*

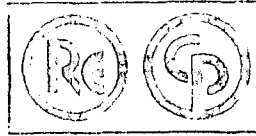
**REVATHI-CP EQUIPMENT LIMITED**

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## Revathi - CP Equipment Limited

**BOARD OF DIRECTORS** :

Mr. NECIP SOYAK, (Chairman)

Mr. RAGHAVENDRA, R.K. (Managing Director)

Mr. DULIP SINGH, T.

Mr. JACK PRESSLEY

Mr. KATYAL, S.C.

Mr. PODDAR, B.K.

Mr. TIM O' ROURKE

Mr. WILLIAM M. THOMAS

Mr. RAMANI, K.N.V.

(Alternate to Mr. WILLIAM M. THOMAS)

**COMPANY SECRETARY** : Mr. SRINIVASAN, M.N.

**BANKERS** :

STATE BANK OF INDIA

CANARA BANK

DENA BANK

STATE BANK OF BIKANER & JAIPUR

**AUDITORS** : LOVELOCK & LEWES, CHENNAI

**LEGAL ADVISERS** : KING & PARTRIDGE, CHENNAI

**REGISTERED OFFICE** : POLLACHI ROAD, MALUMACHAMPATTI POST,  
COIMBATORE - 641 021





## NOTICE TO MEMBERS

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of Revathi-CP Equipment Limited will be held at the Indian Chamber of Commerce and Industry, Chamber Towers, 8/732 Avanashi Road, Coimbatore -641 018 on Tuesday, 16th September, 1997 at 10.00 A.M to transact the following business:

### ORDINARY BUSINESS

- 1 To receive, consider and adopt the Directors' Report and the Audited Balance Sheet as at March 31, 1997 and the Profit and Loss Account for the financial year ended March 31, 1997.
- 2 To declare a dividend on Equity Shares.
- 3 To appoint a Director in place of Mr.S.C.Katyal who retires by rotation and being eligible, offers himself for re-appointment.
- 4 To appoint a Director in place of Mr. William M.Thomas who retires by rotation and being eligible, offers himself for re-appointment.
- 5 To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

6. To consider and if thought fit, to pass the following resolution, with modifications, if any, as an ordinary resolution, of which due notice in writing under Section 257 of the Companies Act, 1956, has been received by the Company from a member :

"RESOLVED THAT Mr. Tim O' Rourke, whose term of office as Director expires at this Annual General Meeting under clause 120 of the Articles of Association of the Company and who is eligible for re-appointment, be and is hereby appointed as a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

Coonoor,  
30th May,1997

By Order of the Board  
**M.N.SRINIVASAN**  
Company Secretary

### NOTES :

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- b) Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and the Share Transfer Books of the Company will remain closed from 2nd September, 1997 to 16th September,1997 (both days inclusive).
- c) Members are requested to intimate to the Company changes, if any, in their registered address along with the Pincode numbers and to mention their Registered Folio No. invariably in all correspondence.



- d) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of business under item No.6 is given below.
- e) Queries on accounts and operations of the company, if any, may please be sent to the company ten days in advance of the meeting so that answers may be made available at the meeting.
- f) The Company has transferred the unclaimed dividends to the General Revenue Account of the Central Government for and upto the year 1992-93.
- g) Members are requested to bring the copy of their Annual Report and the attendance slip at the Annual General Meeting.

Particulars of the dividend transferred to the General Revenue Account of the Central Government, as required by Rule 4(A) of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules 1978, are given below.

Dividend for the Year	No. of Equity Shares	No. of Holders	Amount (Rs)	Date of Transfer
1992-'93	14,075	141	42,225/-	02.11.'96

The concerned members may therefore submit their claim to the Registrar of Companies(Tamilnadu), Coimbatore.

## EXPLANATORY STATEMENT TO THE NOTICE

(PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956)

### ITEM NO 6

Mr. Tim O' Rourke was appointed as a Director with effect from November 29, 1996 in the casual vacancy caused by the resignation of Mr. Claes Backlund. Mr. Tim O'Rourke holds office upto the date of this Annual General Meeting. A notice has been received under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose the appointment of Mr. Tim O' Rourke as a Director at this meeting. Mr. Tim O' Rourke is the Chief Financial Officer, Chicago Pneumatic Tool Company, USA. The Directors are of the opinion that his inclusion on the Board would be beneficial to the Company.

None of the directors is in any way concerned or interested in the resolution proposed.

Coonoor,  
30th May, 1997

By Order of the Board  
**M.N. SRINIVASAN**  
Company Secretary



## REPORT OF THE DIRECTORS

The Directors have pleasure in presenting the Twentieth Annual Report on the operations of your Company together with the audited Profit and Loss Account for the financial year ended March 31, 1997 and the Balance Sheet as of that date.

### FINANCIAL RESULTS

	Rs in million	
	For the Year ended 31.3.97	For the Year ended 31.3.96
Sales (Net)	400.50	356.98
Profit before interest, depreciation and tax	101.27	87.09
Less: Interest	4.93	7.67
Depreciation	5.21	5.18
Profit before tax	91.13	74.24
Provision for tax	33.50	27.60
Profit after tax	57.63	46.64
Balance brought forward from previous Year	7.50	3.20
Transferred from Investment Allowance Reserve	-	0.18
	65.13	50.02
Appropriations :		
Dividends, subject to tax:		
On equity shares - Interim	8.02	8.02
Final	11.24	11.24
Dividend tax	1.12	-
General Reserve	37.47	23.26
Balance carried forward	7.28	7.50
	65.13	50.02

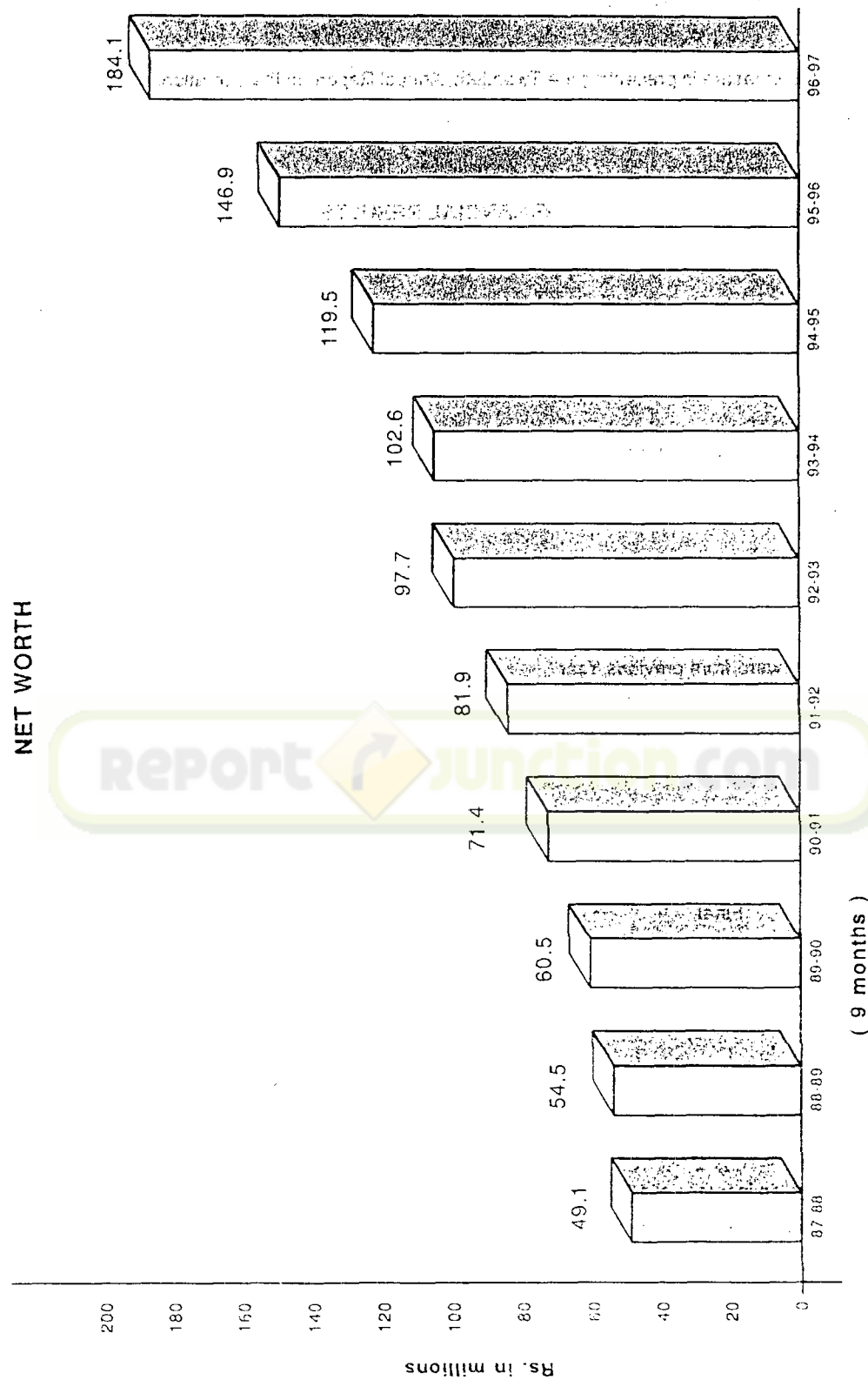
### Operations of the year

The operations during the year reflect an increase in sales from Rs.357 million during the previous year to Rs.400 million representing an increase of 12% . Profit before tax increased by 22.7% due to increase in sales and decrease in overheads, interest and financing charges.

### Dividend

Your Directors had paid an interim dividend of 50% (subject to tax) in May, 1997 absorbing Rs.8,024,500/- on the equity shares. Your directors now recommend a final dividend of 70 % on the equity shares amounting to Rs.11,234,300/- .









### Fixed Deposits

Fixed Deposits outstanding as on March 31, 1997 is Rs 2,610,000/- and the unclaimed deposit is Rs.6,000/-.

### Directors

In accordance with the Articles of Association of the Company Mr.S.C.Katyal and Mr.William M.Thomas retire by rotation and being eligible seek re-appointment.

Mr. Tim O' Rourke appointed as Director in the casual vacancy caused by the resignation of Mr.Claes Backlund, will hold office until the forthcoming Annual General Meeting. The Company has received notice from a member proposing him as a Director of the Company.

### Conservation of Energy

Company continued its efforts to conserve energy by elimination of waste, improvement in power factor and by maintaining various equipments in good condition. No Capital investment was made during the year in this regard. As the cost of energy in the total cost is insignificant and considering the nature of our industry, measurement of savings in energy could not be undertaken.

### Technology Absorption

Particulars with regard to technology absorption as required under Companies (Disclosure of particulars in the Report of Board of Directors) Rules,1988 are furnished in the annexure A and the same forms part of this report.

### Foreign Exchange Earnings and Outgo

The Company earned foreign exchange of Rs.66.40 million. Foreign Exchange outgo during the year amounts to Rs.59.20 million.

### Personnel

Industrial relations were satisfactory during the year. The particulars, as required under Section 217 (2A) of the Companies Act,1956 and the rules framed thereunder are furnished in the annexure B and the same forms part of this report.

### Appreciation

The Directors wish to place on record their sincere appreciation of the devoted and efficient services rendered by all the employees of the Company. The Directors also wish to thank the financial institutions, banks and customers for their continued support and co-operation.

For and on behalf of the  
Board of Directors

Coonoor,  
30th May, 1997

**R.K.RAGHAVENDRA**  
Managing Director

**K.N.V.RAMANI**  
Director



# SALES & EARNINGS BEFORE TAX

