

Annual Report 1996 - 97

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



AUTORIDERS INDUSTRIES LIMITED

BOARD OF DIRECTORS

Dr.P.G.Patankar	-	Chairman
Mukesh Patel	-	Director
Bhupesh Patel	-	Director
Chintan A.Patel	-	Director
Ketki M.Patel	-	Director

AUDITORS

M/s.Utpal Bhayani & Co.,
Chartered Accountants

BANKERS

Union Bank of India

REGISTERED OFFICE

4A,Vikas Centre,
104, S.V.Road,
Santacruz (West),
Mumbai-400 054.

AUTORIDERS INDUSTRIES LIMITED**TWELFTH ANNUAL REPORT 1996-97****NOTICE**

Notice is hereby given that the Twelfth Annual General Meeting of the members of Autoriders Industries Limited will be held at its Registered Office at 4A, Vikas Centre, 104 S.V. Road, Santacruz (West), Mumbai-400 054 on Thursday the 18th September, 1997 at 5.00 P.M. to transact the following business:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
- 2) To appoint a Director in place of Shri. Mukesh R. Patel, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint a Director in place of Dr.P.G.Patankar, who retires by rotation and being eligible, offers himself for reappointment.
- 4) To appoint Auditors and fix their remuneration.

NOTES:

- 1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
- 2) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday 2nd September, 1997 to Thursday the 18th September, 1997 (both days inclusive).
- 3) Proxy to be effective must be deposited at the Registered Office of the Company duly completed not less than 48 hours before the commencement of the meeting.
- 4) Members are requested to notify to the Company, the change of address, if any on or before 2nd September, 1997.

By Order of the Board

MUKESH PATEL
Director

Mumbai
27th June, 1997



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twelfth Annual Report together with Audited Statement of Accounts for the year ended 31st March, 1997.

WORKING RESULTS

During the year under review, your Company had recorded a loss of Rs.100.15 lacs as against loss of Rs.198.33 lacs in the previous year. In the absence of Profit, your Directors are unable to recommend dividend for the year ended 31st March, 1997.

PERFORMANCE

The Limouzine operation on the single route between Andheri and Nariman Point, though continued to make losses during the year under review, the season ticket holders continued to patronise it with great appreciation of the quality of service rendered. In fact, they were pressing for its continuation at any cost. Though part of the losses were made up through chartering of buses, through intercity operations, etc., the total operations, however, could not be sustained inspite of economising on costs through retrenchment of a few drivers, etc. No solution could be found for unidirectional traffic during peak hours and negligible demand during other part of the day on the single route. It became absolutely clear that the service would not be financially viable if operated as a contract carrier; it could

succeed only as a stage carrier. The hierarchical system concept was, however, appreciated as it helped reduce the number of cars.

DIRECTORS

Mr. M. R. Patel and Dr. P.G. Patankar retire by rotation and being eligible offer themselves for re-appointment.

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

Your Company does not have any activities relating to technology absorption and conservation of energy. There were neither earnings nor outgo in foreign exchange.

PARTICULARS OF EMPLOYEES

There were no employees pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 duly amended.

FUTURE PROSPECTS

The financial year 1996-97 has, no doubt, been a difficult year for the Limouzine Service and it may have to be discontinued not being commercially attractive. I had, no doubt, a year ago expressed the hope that it may be possible

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to break-even during the year. Unfortunately with all our effort, the State Government did not facilitate the Limouzine operation as stage carrier in terms of the required permit and the minimum infrastructure. The company even went to the extent of persuading the BEST to operate the Limouzines at "No Profit No Loss" to the Undertaking on an experimental basis for six months knowing the adage, "The proof of pudding lies in its eating". The whole idea behind such an offer was to sell the fine concept to the city, if not the service itself. The BEST Management readily agreed knowing that the citizens wanted such a service and infact, a survey carried out by the Times of India was overwhelmingly in favour of the service. Inspite of all this, the whole scheme was killed in the political whirlpool and having thus been driven to a wall, your Company, to guard your honour, withdrew the offer to the BEST. The circumstances also forced us to discontinue the operation of the Single contract carriage route to avoid further losses.

At this juncture, the Company perhaps has no option but to plan an 'exit' route in phases. It is also possible that about 18 buses may be refurbished and sent to Kathmandu, Nepal for the joint venture operation with Himalayan Highways Ltd., who have already proposed to operate as many as 150 buses in the land-locked Himalayan Kingdom. The matter is under active consideration of your Board of Directors. Even the BEST Management is still considering taking such buses

on long term lease for their operation.

The Limouzines are now being used for charter services and on intercity operation by the licensed operators. It would, perhaps, take sometime before a final decision is taken by your Board on their use in a different form and/or disposal. It may also be possible to work out a scheme as a fleet owner to hire buses for intercity operations on a long term basis to licensed operators combined with cold storage freight operations, etc.

DISCLOSURE UNDER LISTING AGREEMENT

a) Cash Flow Statement under clause 32 of the Listing Agreement is annexed herewith as Annexure 'A' and forms part of this Report.

b) Statement under clause 43 of the Listing Agreement :

(Rs.'000)

	Projections for the year 1996-97	Actuals for the year 1996-97
Total Income	67810.00	34886.39
Profit after Tax	12038.00	(10015.18)
Dividend	10%	—