



SIBAR
AUTOPARTS LIMITED

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

Report  Junction.com

15th Annual Report**BOARD OF DIRECTORS**

| | |
|--------------------------|--|
| Sri S. Gopalan | Chairman |
| Sri P. Veerananarayana | Vice Chairman and Managing Director |
| Sri P. Harischandra Raju | Nominee Director (APIDC) |
| Sri A.R. Chowdary | Director |
| Sri A. Chennakrishnaiah | Executive Director |
| Sri P. Madhu Prathap | Director |

REGISTERED OFFICE

D4 & D5, Industrial Estate,
Renigunta Road,
TIRUPATI - 517 506.

FACTORY

D-4 & D-5, D-11 & No.3.
Industrial Estate, Renigunta Road
TIRUPATI - 517 506.

AUDITORS

Pinnamaneni & Co.,
Chartered Accountants,
3, 4th Ground Ram's VSR Apartments,
Opp. Siddhartha Public School,
VIJAYAWADA-520 010.

FINANCIAL INSTITUTIONS/BANKS

Industrial Development Bank of India, Madras
State Bank of India, Settipalli Branch,
TIRUPATI - 517 506.

LISTING

The Hyderabad Stock Exchange Ltd. Hyderabad
The Stock Exchange, Mumbai
The Stock Exchange, Ahmedabad
Madras Stock Exchange Ltd. Madras
Cochin Stock Exchange Ltd. Cochin

SHARE TRANSFER AGENTS

Sibar Financial Services (P) Ltd.,
D.NO.27-14-49, IInd Floor,
Rajagopalachari Street.
Governorpet,
VIJAYAWADA-520002 (A.P)

**FIFTEENTH ANNUAL GENERAL
MEETING**

Date : Saturday, September 26, 1998
Time : 3.00 p.m.
Venue : Registered Office
D4 & D5, Industrial Estate
Renigunta Road
Tirupati-517 506

CONTENTS

| | Page No |
|---------------------------|---------|
| Notice | 2 - 4 |
| Directors' Report | 5 - 8 |
| Auditors' Report | 9- 11 |
| Balance Sheet | 12 |
| Profit and Loss Account | 13 |
| Schedules to the Accounts | 14- 24 |
| Cash Flow Statement | 25 |
| Balance Sheet Abstract | 26 |



NOTICE TO SHAREHOLDERS:

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Company will be held at its Registered office: D4 & D5, Industrial Estate, Renigunta Road, Tirupati-517506.(A.P.) on Saturday 26th September 1998 at 3 P.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1998 and the Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri P. Madhu Pratap who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration. The Retiring Auditors Pinnamaneni & Co., Chartered Accountants, Vijayawada are eligible for re-appointment. In this connection, to consider and if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT the retiring Auditors, Pinnamaneni & Co., Chartered Accountants be and are hereby re-appointed as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration of Rs.40,000/- (Rupees forty thousand Only) and reimbursement of out-of-pocket expenses incurred in connection with Company's Audit."

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 Sri A.R. Chowdhary, Director whose term of Office expires at this meeting pursuant to Section 260 of the Companies Act, 1956 and in respect of whom a Notice has been received from a Member under section 257 of the Companies Act, 1956 proposing his candidature be and is hereby appointed as Director whose period of Office shall be liable to determination by retirement of Directors by rotation."

5. To consider and if thought fit, to pass, with or without modifications, the following as a special Resolution.

"RESOLVED THAT Article 98 of the Articles of Association of the company be amended by substituting the figure "2,000" or such fees as prescribed by the Companies Act 1956, from time to time in place of figure "1,000" in the first line thereof".

6. To consider and if thought fit, to pass, with or without modifications, the following as special resolution.

"RESOLVED THAT the consent of the Company be and is hereby accorded to delist equity shares of the Company at Ahmedabad and Cochin Stock Exchanges with retrospective effect from 1.4.96".

By order of the Board of Directors

(P.VEERANARAYANA)
Vice Chairman and
Managing Director

Place : Tirupati
Date : 31.07.98

NOTES:

- 1) A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member. A Form of proxy is enclosed.
- 2) The Register of Members and Transfer Books of the Company will remain closed from 25th September 1998 to 26th September 1998 (both days inclusive).
- 3) The Instrument appointing a proxy should however be deposited at the Registered Office of the Company not less than fortyeight hours before the commencement of the Meeting.
- 4) Shareholders are requested to notify change in address if any, immediately to the Company's Regd. Office.
- 5) Shareholders are requested to bring their copies of Annual Report to the Meeting. Copies of the Annual Report will not be available for distribution to Share Holders at the MeetingHall.
- 6) Shareholders attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting Hall.
- 7) Shareholders who require information about accounts to be explained in the meeting are requested to inform the company atleast 7 days in advance of the Annual General Meeting.
- 8) All communications relating to shares are to be addressed to the Company's Transfer Agent M/s.Sibar Financial Services Pvt. Ltd, 27-14-49. IInd Floor, R.G.C.Street, Governorpet,Vijayawada - 520002.

ANNEXURE TO NOTICE OF ANNUAL GENERAL MEETING

Explanatory Statement under section 173 (2) of the companies Act, 1956

ITEM NO.4 OF THE NOTICE :

Sri A.R. CHOWDARY, was appointed as an Additional Director of the Company with effect from 25.11.1997 in terms of Article 94 of the Articles of Association and section 260 of the Companies Act, 1956. He holds the office up to the date of ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment. The company has received a Notice along with a sum of Rs.500/- as a Deposit from a Member pursuant to section 257 of the Companies Act, 1956 proposing the candidature of Sri A.R. CHOWDHARY. He is a retired Assistant General Manager of the STATE BANK OF INDIA. He has held responsible positions in STATE BANK OF INDIA and is having rich experience in the field of Finance and Banking. In view of his wide experience in Financial Field it is desirable that the Company should continue to avail his services.

None of the Directors except Sri A.R. CHOWDARY is concerned or interested in this resolution.

Item No.5 of the Notice:

Article 98 of the Articles of Association of the Company provides for payment of sitting fee of not exceeding Rs.1,000/- to a Director for attending for each Meeting of the Board or any Committee thereof.

As per the provision of the Companies

Amendment Act, 1988, your company is permitted to pay a sitting fee of not exceeding Rs.2,000/- to a Director for attending each Meeting of the Board or any committee thereof. Your Directors therefore propose amendment to Article 98 of the Articles of Association of the Company providing for a payment of sitting fee of not exceeding Rs.2,000/- or such fees as prescribed by the Companies Act, 1956, from time to time to a Director for attending each Meeting of the Board or any Committee thereof.

Non-whole time Directors are deemed to be interested in this resolution to the extent to sitting fee received by them.

Item No.6 of the Notice:

As there was no trading of Equity shares of the Company at Ahmedabad and Cochin Stock Exchange since 1996-97 and 1997-98 it is proposed to delist Equity shares of the Company at Ahmedabad and Cochin Stock Exchanges.

No other Director is interested in the Resolution.

By order of the Board

(P. VEERANARAYANA)
 Vice-Chairman
 and
 Managing Director

Place : Tirupati
 Date : 31-07-98

DIRECTORS' REPORT :

Your Directors have the pleasure to present the 15th Annual Report together with the Auditors' Report thereon for the year ended 31st March, '98.

1. FINANCIAL RESULTS:

The brief financial results of the Company for the year ended 31st March, '98 are given hereunder:

| | (Rs.in Lakhs.) | |
|---|----------------|---------|
| | 1997-98 | 1996-97 |
| Total Sales | 116.77 | 843.71 |
| Profit after depreciation and interest | 48.98 | |
| Other Income | 524 | |
| Profit before tax | 54.22 | |
| Provision for tax | 5.75 | |
| Profit after tax | 48.47 | |
| Transfer to general reserve | — | |
| Prior period adjustment | (2.92) | |
| Leaving a balance to be carried forward | 45.55 | |

2. OPERATIONS:

Your Directors are happy to inform that your Company continues to maintain a high growth rate in sales registering an increase of 41.02% over the previous year. During the year under review your company has produced 2,73,583 cylinders as against production of 1,82,683 cylinders in the previous year.

Your company has registered export turnover of Rs.140.13 lakhs during the year against previous export turnover Rs.85.67

lakhs registering an increase of 64% over the previous year.

Your company has made a profit of 119.28 lakhs before depreciation and taxation against previous year profit of Rs.102.14 lakhs by achieving growth rate of 14.82%.

During the year under review your company successfully completed its expansion of installed capacity which was increased to 5,40,000 nos cylinders per annum with financial assistance from State Bank of India, Settipalli Branch and commissioned production for expanded capacity in the month of Jan. '98.

With a view to keep abreast with latest technological developments and to improve over all production efficiency and product upgradation, your company proposed to upgrade existing alluminium chrome plating technology by importing alternative plating technology, which results in doubling installed capacity. Further, the company stands to gain advantage in terms of quality, quantity, cost and meeting emission norms effectively by introducing alternative plating technology. Because of more global demand for alternative Plating Technology Cylinders exports will also be increased substantially. An agreement was entered into with M/s. EUROCILINDRO s.r.l., ITALY to introduce alternative plating technology to further improve the operational efficiency. The cost estimates for proposed upgradation of technology are under preparation.

During the year under review your company has been conferred by Engineering Export promotion council **the Certificate of Merit Award** for the year 1996-97 in recognition of notable performance in the field of exports for the second time.

3. DIVIDENDS :

The Board has not recommended Dividend for the year 1997-98 to conserve resources for the proposed upgradation of existing plating technology.

4. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

A) CONSERVATION OF ENERGY

As in the past, the Company has been continuing its efforts to improve methods of energy conservation and utilisation.

B) TECHNOLOGY ABSORPTION

The Company developed in-house Technology for Aluminium Chrome Plating Cylinders. The Company has not made so far any payments towards Technology absorption and the company has personnel to develop new models.

C) FOREIGN EXCHANGE EARNINGS AND OUT GO

Foreign exchange outgo and earnings, in terms of the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 are set out in a separate

statement attached hereto and forms part of the report.

5. OTHER INFORMATION

During the year under report, None of the employees of your company were in receipt of remuneration in excess of the limits prescribed for disclosure as per Section 217(SA) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

The funds raised from the Public Issue during 1994 have been utilized for the purposes for which these were raised. Further information in terms of clause 43 of the Listing Agreement is given in Annexure to the Directors' Report.

6. DIRECTORS

Sri P. MADHU PRATAP, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Sri G. CHIDAMBAR, Director resigned from the Company's Board effective from 25.11.97. Your Directors wish to place on record the deep appreciation of the valuable services rendered by him during his tenure of office as Director of the Company.

Sri A.R. CHOWDHARY, was appointed as an Additional Director of the Company with effect from 25.11.97. Under section 260 of the Companies Act, 1956 he holds the office up to the date of the ensuing Annual General Meeting of the Company. The company has received due notice u/s 257 of the Companies

Act, 1956, from Members proposing his appointment as a Director of the Company.

7. AUDITORS:

The Company's Auditors, Pinnamaneni & CO., Chartered Accountants, Vijayawada, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

8. ACKNOWLEDGEMENTS:

Your Directors wish to express their gratitude to Financial Institutions, Banks, Venture Capital Funds and Mutual Funds for the whole hearted co-operation and assistance extended to the Company.

Your Directors also wish to thank the employees of the company for their dedicated

services and valuable contribution to the growth of the Company.

Your Directors sincerely thank the members for the confidence reposed by them in the company and look forward to their valuable support for the future plans of the company.

For and on behalf of the Board

P. VEERANARAYANA
A. CHENNAKRISHNAIAH
Directors

Place: Tirupati
Date : 31-07-98

Report Junction.com