

VIKRANT TYRES LTD.

	BKC	<input checked="" type="checkbox"/>
	DPY	<input checked="" type="checkbox"/>
	DIV	<input checked="" type="checkbox"/>
	AC	<input checked="" type="checkbox"/>
	SHI	<input checked="" type="checkbox"/>

## ANNUAL REPORT

1997-98

Report  Junction.com





**Visit of Shri Hari Shankar Singhania, President, J.K. Organization**  
Syths. P. Ganguly, J.K. Khullar, Hari Shankar Singhania, Raghupati Singhania and  
Arun K. Bajoria (left to right) having a look at the miniature model of Radial Tyre Plant.



## VIKRANT TYRES LIMITED

Regd. Office : "Vikrant House", No. 54, I Main Road,  
V.V. Mohalla, Mysore 570 002

To all Shareholders,

NOTICE is hereby given that the TWENTYFOURTH ANNUAL GENERAL MEETING OF VIKRANT TYRES LIMITED will be held at 2.30 p.m. on Tuesday, the 1st September 1998 at Jaganmohan Palace Auditorium, Jaganmohan Palace, Mysore 570 024, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet and Profit and Loss Account for the year ended 31st March 1998 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri C. Gopal Reddy, IAS, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Srawan Kumar Bagla, who retires by rotation and being eligible offers himself for re-

appointment.

4. To appoint a Director in place of Shri Swaroop Chand Sethi, who retires by rotation and being eligible offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modifications the following Resolution as a Special Resolution:

"RESOLVED THAT M/s K.P. Rao & Co., Chartered Accountants, Mysore be and are hereby re-appointed as Auditors of the Company from the conclusion of this Annual General Meeting to hold office, upto conclusion of the next Annual General Meeting on a remuneration of Rs. 60,000/- plus travelling and out of pocket expenses."

By Order of the Board

Place : New Delhi  
Date : 29.6.1998

DATTATRAY D BHAT  
COMPANY SECRETARY

### 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. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and the Transfer Books of the Company will remain closed from 18.8.1998 to 1.9.1998 (both days inclusive).
3. Members are requested to -
  - a) Notify promptly any change in their addresses to the Company.
  - b) Send their queries, if any, at least 7 days in advance of the meeting so that the information can be made available at the meeting.
4. The Members are requested to bring their copies of Annual Report along with them to the General Meeting.





**VIKRANT TYRES LIMITED**

Regd. Office: "Vikrant House", No. 54, I Main Road,  
V.V. Mohalla, Mysore-570 002

**24TH ANNUAL GENERAL MEETING, 1ST SEPTEMBER 1998 (TUESDAY)**  
(to be held at JAGANMOHAN PALACE AUDITORIUM, JAGANMOHAN PALACE, Mysore-570 024 at 2.30 p.m.)

**ADMISSION SLIP**

**NAME & ADDRESS OF THE MEMBER:**

**FOLIO NO.:**

**NO. OF SHARES:**

I certify that I am a registered Shareholder of the Company/a Proxy Holder for the above Shareholder.

**MEMBER'S/PROXY'S SIGNATURE**

NOTE: Shareholder/Proxyholder must bring the Admission Slip to the meeting and handover at the entrance duly signed.

----- Cut Here -----

**VIKRANT TYRES LIMITED**

Regd. Office: "Vikrant House", No. 54, I Main Road,  
V.V. Mohalla, Mysore-570 002

**PROXY**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a Member(s) of Vikrant Tyres Limited, hereby  
appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her \_\_\_\_\_  
of \_\_\_\_\_ as my/our proxy to vote for me/us and on  
my/our behalf at the 24th Annual General Meeting of the Company to be held on Tuesday, the 1st September 1998 and at any  
adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 1998

Affix a  
One Rupee  
Revenue  
Stamp

Signature \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_

NOTE: The proxy must be returned so as to reach the Regd. Office of the Company not less than 48 hours before the time for  
holding the aforesaid meeting. A Proxy need not be a member of the Company.







## BOARD OF DIRECTORS

N. Viswanathan, IAS

*Chairman*

Srawan Kumar Bagla

K.V. Chandrasekhara

*IDBI Nominee*

B.K. Das, IAS

Om Prakash Khaitan

Karna Singh Mehta

C. Gopal Reddy, IAS

B.R. Sethi

*LIC Nominee*

S.C. Sethi

Narayanan Sankar

Bharat Hari Singhania

Raghupati Singhania

Vikrampati Singhania

Arun Kumar Bajoria

*President*

## COMPANY SECRETARY

Dattatray D. Bhat

## AUDITORS

M/s K.P. Rao & Company

54, Chamaraja Double Road

Fort Mohalla

Mysore - 570 004

## BANKERS

Indian Bank

Syndicate Bank

State Bank of India

Punjab National Bank

State Bank of Mysore

Vijaya Bank

Corporation Bank

## REGISTERED OFFICE:

"VIKRANT HOUSE"

54, I Main Road, V.V. Mohalla

MYSORE - 570 002

## ADMN. OFFICE/FACTORY:

K.R.S. Road

Metagalli

MYSORE - 570 016

## SENIOR MANAGEMENT TEAM

J.K. Khullar

K. Venkatesh Setty

V.R. Gulgule

C.V. Joga Rao

Gajinder Paul Singh

Executive Director (Manufacturing & Technical)

Vice-President (Finance)

Vice-President (Human Resources Development)

Vice-President (Marketing & Sales)

Vice-President (Materials & Manufacturing Services)

## FINANCIAL HIGHLIGHTS

	Rs. in crores (10 million)	
	1997-98	1996-97
<b>SALES AND EARNINGS</b>		
Gross Revenue	375.76	360.50
Operating Profit	42.38	26.59
Profit before Depreciation	23.41	2.67
Net Profit/(Loss)	16.46	(5.35)

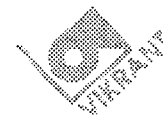
**CAPITAL EMPLOYED**

Gross Fixed Assets	167.28	145.74
Net Fixed Assets	68.79	46.93
Net Current Assets	133.79	97.71
Investments	—	0.09
Miscellaneous Expenditure	—	0.27
Total	202.58	145.00

**SHAREHOLDERS' FUND**

Share Capital	25.63	16.63
Capital Reserves	1.26	1.26
Other Reserves	80.42	4.56
Total	107.31	22.45





## DIRECTORS' REPORT

### *To the Members,*

The Directors have pleasure in placing before the Shareholders their Twenty-fourth Report together with the audited accounts of the Company for the year ended 31st March 1998.

### **Operations**

Your Company's operations, under the new Management, have shown marked improvement resulting in a record Profit before Tax of Rs. 18.13 crores as against a loss of Rs. 5.35 crores in the previous year. This has been possible because of the expertise provided by JK Industries Limited in the areas of Technical, Marketing and Distribution, Research & Development, (better) Management Control & Systems.

The sales improved to Rs. 377.58 crores. During the year there was a general slow down in the economy and the automobile sector in particular, which resulted in highly competitive market conditions in the tyre business. Despite these difficult conditions, your Company could attain the improved performance.

Your Directors are pleased to report that the Company, after a gap of 3 years, started paying interest to the Financial Institutions on the outstanding loans from the quarter beginning October 1997. It has also made substantial payment of the earlier dues of outstanding interest.

The Company has submitted to the Financial Institutions, the revised schedule for repayment of various outstanding loans and past overdue interests.

In order to augment resources of the Company, your Directors have not recommended dividend for the year.

### **Exports**

Your Company continued its thrust on exports, which was Rs. 73.26 crores, 14% higher over the previous year. Your Company continues to enjoy the status of a "Trading House" under the Export Import Policy.

### **Modernisation and Expansion**

As reported last year, the management has drawn up a Modernisation and Balancing plan with an outlay of Rs. 273 crores, which is vital for Company's long term growth. The scheme involves modernisation of both the plants apart from upgradation of the Company's Truck Radial facilities. The Directors are pleased to inform that Financial Institutions have agreed to provide the necessary financial assistance required for the same, which is being implemented in phases. The completion of this scheme will enable substantial improvement of the quality and upgradation of product, plant efficiencies, cost reduction and better productivity of both equipment and manpower.

### **Technical Collaboration**

The Directors are pleased to inform that the Company has entered into a Technical Collaboration Agreement with Continental AG., Germany, World's fourth largest tyre manufacturer. Under this collaboration, the Company will receive state-of-the-art technology which will enable it to manufacture superior quality All Steel Truck/Bus Radial Tyres.

### **Industrial Relations**

The Industrial Relations during the year remained cordial and satisfactory except for an illegal strike resorted to by the workmen for 16 days during September 1997.

Your Directors are confident that the workmen will whole-heartedly respond to the challenge before the Company and make all out efforts and extend their full co-operation in the important task of rebuilding the Company by improving output, efficiencies and productivity. Improvement in work practices and man power training is the need of the hour.

The Board wishes to place on record its appreciation of the work put in by the Company's employees at all levels.