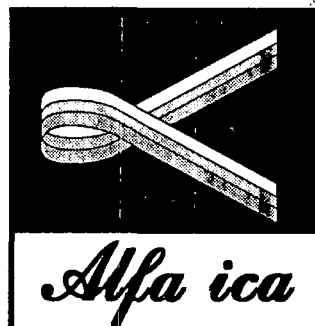


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TRA	<input checked="" type="checkbox"/>	AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	ST	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>		



Seventh Annual Report

Report Junction.com

1997-98

ALFA ICA (INDIA) LTD.

ALFA ICA (INDIA) LTD.

BOARD OF DIRECTORS

J.S.VARSHNEYA, Chairman
RAJENDRA TIKMANI, Managing Director
RAM PURSHOTTAM GOYAL, Director
SHYAM SUNDER TIKMANI, Director

AUDITORS

O. P. Bhandari & Co.
Chartered Accountants
Ahmedabad

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BANKERS

State Bank of India
Laghu Udyog Branch, Ahmedabad

REGD. OFFICE

1-4, Uma Industrial Estate,
Vill. : Vasana Iawa, Tal. Sanand
Dist. Ahmedabad

CORPORATE OFFICE

4th Floor, Goyal House, Opp. Lal Bungalow,
C. G. Road, Ahmedabad

ALFA ICA (INDIA) LTD.**NOTICE**

NOTICE is hereby given that the Seventh Annual General Meeting of ALFA ICA (INDIA) LTD will be held at 1-4 Uma Industrial Estate, Village : Vasana-Iawa, Tal : Sanand, Dist : Ahmedabad on Saturday the 29th day of August, 1998 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Profit & Loss Account for the year ended on 31st March, 1998 and the Balance-Sheet as on that date;
2. To appoint a Director in place of Mr J S Varshneya who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution :

"RESOLVED THAT subject to the provisions of Section 94 read with Section 97 of the Companies Act, 1956, the Authorised Share Capital of the Company be and the same is hereby increased from Rs. 5,00,00,000/- (Rupees five Crores) to Rs. 7,50,00,000/- (Rupees Seven Crores Fifty Lacs only) by creation of 2,50,000 (Two lacs Fifty Thousand) Redeemable Preference Shares of Rs. 100/- each."

"FURTHER RESOLVED THAT subject to the provisions of Section 16 of the Companies Act, the capital Clause of the Memorandum of Association of the Company be and the same is hereby altered and substituted by the following clause." :-

"The Authorised Share Capital of the Company is Rs. 7,50,00,000/- (Rupees Seven Crores Fifty Lacs only) divided into 50,00,000 (Fifty Lacs only) Equity Shares of Rs. 10/- (Ten) each and 2,50,000 (Two Lacs Fifty Thousand) Redeemable Preference Shares of Rs. 100/- (Hundred) each."

5. To consider and if thought fit, to pass the following resolution with or without modification as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment to or re-enactment thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary, the consent of the company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to issue and allot 2,50,000 Redeemable Preference Shares of Rs. 100/- each for an aggregate amount of Rs. 2,50,00,000/- on private placement basis to any person/s, bodies, corporate, mutual funds, banks financial institutions in such form, manner, proportion and within such period on the following terms and conditions or on such terms and conditions as the Board may in its absolute discretion deem fit. :-

- a. The preference shares shall not carry any dividend.
- b. No preference shares shall be redeemed unless they are fully paid-up at the time of redemption.
- c. The redemption shall be made by the Company at any time but not later than 10 years by giving three months' notice in writing to the holders of the preference shares.
- d. The preference shares shall be non-participative in the profits of the Company.
- e. The company shall have an option to buy-back all or any part of the preference shares at such price as may be mutually agreed to and as may be permitted by the Law after the expiry of the period of five years from the date of their issue.
- f. The redemption of the preference shares shall be at a premium not exceeding Rs. 150/- per share capable of being reduced proportionately with the reduction of the period of ten years and be made in one or more instalments at the absolute discretion of the Board of Directors of the Company.

ALFA ICA (INDIA) LTD.

g. The preference shares shall be transferable and the provisions of the Articles of Association shall mutatis mutandis apply to the transfer or transmission of these preference shares.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to take all such actions, to give all such directions, to do all such acts, deeds, matters and thing as may be necessary or desirable and to settle any question or difficulty that may arise in regard to the issue and allotment of the abovesaid preference shares and to execute all such deeds, documents and writings as may be necessary in connection with such issue."

6. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:

"RESOLVED THAT subject to the applicable provisions of the Companies Act, 1956 (including any statutory modification/s or re-enactment thereof and any ordinance promulgated in this regard for the time being in force and as may be enacted/promulgated from time to time) and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permission and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board"), the consent of the Company be and is hereby accorded to the Board to buy-back, from the existing holders of shares and/or other securities giving right to subscribe for shares of the Company on a proportionate basis and/or from market or from the lots smaller than market lots of the securities out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, or from such other sources as may be permitted by law, on such terms and conditions and in such manner as may be prescribed by law from time to time.

By the order of the Board of Directors

Rajendra Tikmani

Managing Director

July 11, 1998

Ahmedabad

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Registered Office:

1-4 Uma Industrial Estate

Village : Vasana-lawa

Tal : Sanand,

Dist : Ahmedabad

Note :

1. The relative explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy instead of himself/ herself and the Proxy need not be a member of the Company. The proxy should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The members are requested to notify immediately the change of address if any to the Company.
4. The Register of Members and Transfer Books of the Company shall remain closed from 29.08.1998 to 05.09.1998 (both days inclusive). During this period the transfer of shares shall remain suspended.
5. Register of Members, Memorandum and Articles of Association etc. are open for inspection to the members on all working days between 11.00 a.m. to 1.00 p.m. at the Registered office of the Company.

ALFA ICA (INDIA) LTD.**EXPLANATORY STATEMENT PURSUANT TO THE SECTION 173 (2) OF THE COMPANIES ACT, 1956****ITEM NO 4**

The present Authorised Share Capital of the Company is Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs. 10/- each. To augment the long term financial resources it is proposed to issue on private placement basis the Redeemable Preference shares without enlarging the Equity Share Capital. The resolution set out at serial No. 4 is for increasing the Authorised Share Capital to Rs. 7,50,00,000/- by creation of 2,50,000 Redeemable Preference Shares of Rs.100/- each and to make consequential changes in the capital clause of the Memorandum of Association of the Company.

ITEM NO 5

The Redeemable Preference Shares are proposed to be offered on private placement basis to any person. Section 81 of the Companies Act, 1956 provides that if the further shares are not offered to the existing shareholders of the Company in the manner laid down their in the permission of the shareholders in their General Meeting is required. Resolution set out at serial No. 5 is for giving enabling powers to the Board of Directors to issue and offer Redeemable Preference Shares to the persons other than the existing shareholders of the Company and also to specify the terms and conditions of the issue thereof.

ITEM NO 6

The buy-back of the shares is likely to be permitted by the Central Government and by an enactment by way of amendment in the Companies Act, 1956 or an ordinance is being brought about. In order to have the enabling powers of buy-back to the Company the proposed resolution is recommended for your approval.

The directors may be deemed to be interested or concerned in the resolutions set out at item No. 4 & 5 to the extent the preference shares may be allotted to them and/or their relatives and/or bodies corporate in which they may be interested.

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By the order of the Board of Directors

July 11, 1998

Ahmedabad

Rajendra Tikmani

Managing Director

ALFA ICA (INDIA) LTD.**DIRECTORS' REPORT**

The Shareholders

ALFA ICA (INDIA) LTD

Your Directors have pleasure in presenting their Seventh Annual Report together with the Audited Accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS

The financial results of your company for the year 1997-98 are summarised below :

	(Rs. in lakhs)	
	31.03.98	31.03.97
- Sales & Other Income	1216.11	1069.98
- Profit before Interest & Depreciation	266.04	256.57
- Interest & Depreciation	241.74	255.59
- Profit/(Loss) before taxes	23.73	00.98
- Profit/(Loss) after taxes	22.23	00.98
- Loss brought forward from previous year	(54.27)	(55.25)
- Loss carried to Balance Sheet	(32.04)	(54.27)

YEAR IN PROSPECT

The economy of the Country continued to reel under a severe demand recession. The scenario further worsened with continued political uncertainty and a severe economic crisis in the South East Asian Region. The latter crisis affected your Company in particular as a majority of exports were concentrated in this region. This has resulted in low exports during the year as compared to the previous year.

The setback in exports was however compensated through a very good growth in domestic turnover. This is all the more remarkable in view of adverse impact on the market resulting from a slowdown of the economy. This growth in domestic market has been achieved through high product quality standards achieved by your company. Simultaneously the range of laminates is being continuously upgraded and presently there are more than 300 designs.

After firm establishing the dealer network in West/North/South and Central Regions of the Country, your Company has made a foray in the Eastern Region. In the coming year the Company's endeavour shall be to increase its domestic share further and reach new markets in Australia and the Middle East to increase the export turnover.

INSURANCE

Company's assets have been adequately insured against all perceived perils.

FIXED DEPOSITS

Company has not accepted any Deposits from the Public during the year under review.

DIRECTORS

In accordance with the Provisions of the Companies Act, 1956 and the Company's Articles of Association Shri J S Varshneya retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

ALFA ICA (INDIA) LTD.**AUDITORS**

M/s. O. P. Bhandari & Co., Chartered Accountants, Ahmedabad, your Company's Auditors hold office until the conclusion of the ensuing Annual General Meeting and being eligible, are recommended for re-appointment. Their re-appointment, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

LISTING

The Company is listed on Ahmedabad Stock Exchange, Kamdhenu Complex, Polytechnic, Ahmedabad and on Bombay Stock Exchange, Jeejeebhoy Tower, Dalal Street, Fort, Mumbai and have paid the listing fees regularly.

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

Section 642 read with clause (e) of sub-section (1) of section 217 of the Companies Act, 1956 relating to disclosure of particulars of energy conservation, technology, absorption pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) rules 1988 is not applicable to the Company. Details of foreign exchange earnings and outgo is given in the Annexure forming part of this report.

PARTICULARS OF EMPLOYEES

Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees), Rules, 1975 is not applicable to your Company as none of the employee was in receipt of remuneration of more than Rs. 25,000/-p.m. or Rs. 3,00,000/- p.a. during the period under review.

Employee relations during the period under review were cordial and harmonious.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their sincere appreciation and thanks to all the Government authorities and financial institutions, banks, employees, and shareholders for their valuable assistance, support and co-operation and look forward to the same in the years to come.

July 11, 1998
Ahmedabad

For and on behalf of the Board
Rajendra Tikmani
Managing Director