



ALFA ICA (INDIA) LTD.

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**T E N T H
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R E P O R T
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ALFA ICA (INDIA) LTD.

BOARD OF DIRECTORS

J. S. VARSHNEYA : Chairman
RAJENDRA TIKMANI : Managing Director
KRISHNADAS AGRAWAL : Director
SHYAM SUNDER TIKMANI : Director

AUDITORS

O. P. Bhandari & Co.
Chartered Accountants
Ahmedabad

BANKERS

State Bank of India
Specialised Commercial Branch, Ahmedabad

REGD. OFFICE

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

CORPORATE OFFICE

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

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NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of ALFA ICA (INDIA) LTD will be held at 1-4 Uma Industrial Estate, Village : Vasana-lawa, Tal : Sanand, Dist : Ahmedabad on Saturday the 1st day of September, 2001 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, 2001 and the Balance-Sheet as on that date;
2. To appoint a Director in place of Mr. J. S. Varshney 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.

By the order of the Board of Directors

Ahmedabad
June , 30 , 2001
Registered Office:
1-4 Uma Industrial Estate
Village : Vasana-lawa
Tal : Sanand, Dist : Ahmedabad

Shri Rajendra Tikmani
Managing Director

Note :

1. 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 Instrument appointing a proxy or the power of Attorney , if any , under which it is signed should be deposited at the Registered Office of the company not less than 48 hours before the time of holding aforesaid at meeting
2. The members are requested to notify immediately the change of address if any to the Company.
3. The Register of Members and Transfer Books of the Company shall remain closed from 25-08-2001 to 01.09.2001 (both days inclusive). During this period the transfer of shares shall remain suspended.



DIRECTORS' REPORT

The Shareholders
Alfa Ica (India) Ltd

Your Directors have pleasure in presenting the Tenth Annual Report together with the Audited Accounts for the year ended 31st March, 2001.

FINANCIAL RESULTS

The financial results of your company for the year 2000-2001 are summarised below :

	(Rs. in lakhs)	
	31.03.01	31.03.00
- Sales & Other Income	2263.29	1504.28
- Profit before Interest & Depreciation	302.29	290.30
Interest & Depreciation	233.82	238.83
Profit/(Loss) before taxes	68.47	50.01
Profit/(Loss) after taxes	64.15	47.54
- Profit/(Loss) brought forward from Previous Year	56.67	9.13
- Profit/(Loss) carried to Balance Sheet	120.82	56.67

EXPANSION PROJECT

Your Directors are pleased to inform that the new product of post forming laminated sheet has been very well received in the export market and it is expected that the capacity utilisation levels shall increase further during the current year.

YEAR IN PROSPECT

This year the state of Gujarat suffered from multiple natural calamities viz. floods, drought and earthquake, which affected the economy of the state to a great extent. However, the legendary entrepreneurial skills of the local Gujarati people helped the state to quickly bounce back to normal commercial operations. But the economic condition of the state remained affected by slackness and recession in the country's economy. The silver lining, however was the continued growth in communications and information technology sectors. It is hoped that growth in telecommunications, power, ports and infrastructure sectors may kick start the economy as a whole in the time to come.

Despite all the odds and global economic recession, your Company performed well during the year under review with stability in the domestic market and growth in exports to Europe. All the products of the Company viz. High Pressure laminates, Compacts, prelaminated particle Board/ MDF and post formed compact furniture elements were received well in the market. It is hoped that with consolidation of South East Asia & European market, your Company shall be able to expand to other European countries and the Americas, in the years to come, so as to become a truly export oriented unit earning precious foreign exchange for the country.

DIRECTORS' RESPONSIBILITIES STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed :

- I. That in the preparation of the annual accounts for the financial year ended 31st March, 2001 the applicable accounting standards had been followed along with proper explanation relating to material departures :
- II. That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review ;
- III. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- IV. That the directors had prepared the accounts for the financial year ended 31st March, 2001 on a 'going concern' basis.

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.

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Varshney retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

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.

AUDIT COMMITTEE

The Audit Committee consists of three directors, all of whom are independent directors. It provides direction to audit functions, reviews the financial accounts, interacts with statutory auditors and reviews matters of special interest.

The Committee meets regularly to carry out its functions. The quorum for a meeting of audit committee is any three directors personally present at the meeting. Members of the Audit Committee are Shri Krishnadas Agrawal, Chairman, Shri J. S. Varshney, Committee Member, Shri Shyam Sunder Tikmani, Committee Member, and Presence of Shri Krishnadas Agrawal, Director being mandatory. The meetings are generally chaired by Shri Krishnadas Agrawal who is an independent, non-executive Director on the Board who is having knowledge of Accounts.

In terms of the requirements under corporate governance practices, arrangements for presence of Shri Krishnadas Agrawal at the forthcoming AGM in September, 2001 are being made.

LISTING

The Company's Equity Shares are listed on Ahmedabad & Mumbai Stock Exchange and Listing Fees for the year 2001 has been paid.

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

Information in accordance with the provisions of Section 217(1) © of the Companies Act, 1956 relating to the disclosure of particulars of energy conservation, technology, absorption and foreign exchange earnings and outgo pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are 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. 1,00,000/-p.m. or Rs. 12,00,000/- p.a. during the period under review.

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

COMPLIANCE CERTIFICATE

A Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreements is attached to this report.

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.

For and on behalf of the Board

Ahmedabad
June 30, 2001

(Rajendra Tikmani)
Managing Director

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Board of Directors of Alfa Ica (India) Limited

We have reviewed implementation of Corporate Governance procedure set by Alfa Ica (India) Limited ("The Company") for the year ended 31st March, 2001 with the relevant records and documents maintained by the Company and furnished to us for our review.

Based on our verification and information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges.

For, O. P. BHANDARI & CO.
Chartered Accountants

Ahmedabad
June 30, 2001

(O P Bhandari)
Partner