

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

## **ANNUAL REPORT 2001-2002**

### **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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## ANNUAL REPORT 2001-2002

### NOTICE

NOTICE is hereby given that the Eleventh 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 Monday the 30th day of September, 2002 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, 2002 and the Balance-Sheet as on that date;
2. To appoint a Director in place of Mr. Shyam Sunder Tikmani 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  
AUGUST 16, 2002  
**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 28-09-2002 to 30-09-2002 (both days inclusive). During this period the transfer of shares shall remain suspended.

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## ALFA ICA (INDIA) LTD.

**DIRECTORS' REPORT**

The Shareholders

The Shareholders Alfa Ica (India) Ltd. Your Directors have pleasure in presenting the Eleventh Annual Report together with the Audited Accounts for the year ended 31st March, 2002.

**FINANCIAL RESULTS**

The financial results of your company for the year 2001-2002 are summarised below :

	(Rs. in lakhs)	
	31.03.02	31.03.01
- Sales & Other Income	2371.85	2263.29
- Profit before Interest & Depreciation	246.78	302.29
Interest & Depreciation	184.67	233.82
Profit/(Loss) before taxes	62.11	68.47
Profit/(Loss) after taxes	60.37	64.15
- Profit/(Loss) brought forward from Previous Year	120.82	56.67
- Profit/(Loss) carried to Balance Sheet	181.19	120.82

**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**

Industry in the past year continued to suffer from slow growth in demand and impact of cheaper imports. Gujarat's woes were compounded by the disturbance of normal industrial and civic life by the worst ever communal riot taking place in state. The riots apart from causing dislocation in transport of goods for several weeks, also impaired the investor confidence. The unfortunate events also affected the working of your company dislocating production and movement of goods during the months of February and March 2002. However, resilience of the people of the state is well known and commercial operations have returned to normalcy very fast.

Buoyed by goods demand for your Company's product in the past year in the European market, the Directors have decided to expand the manufacturing capacity by addition of the 4th production line for manufacturing high pressure decorative laminates in size of 8 ft. x 4 ft. The entire expansion costing Rs. 200.00 lacs approximately has been funded from internal accruals and raising of unsecured loans from promoters. No institutional debt has been raised, thus substantially lowering the production cost. The 4th line is expected to start commercial operations by last week of August 2002.

**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 :

That in the preparation of the annual accounts for the financial year ended 31st March, 2002 the applicable accounting standards had been followed along with proper explanation relating to material departures :

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 ;

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 ;

That the directors had prepared the accounts for the financial year ended 31st March, 2002 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 Shyam Sunder Tikamani retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

**ANNUAL REPORT 2001-2002****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, 2002 are being made.

**LISTING**

The Company's Equity Shares are listed on Ahmedabad & Mumbai Stock Exchange and Listing Fees for the year 2002 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  
AUGUST 16, 2002

(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, 2002 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  
AUGUST 16, 2002

(ANAND M. GUPTA)  
Partner

**ANNEXURE TO DIRECTORS' REPORT**

Particulars required under the Companies ( Disclosure of Particulars in the Report of the Board of Directors) Rules , 1988

**A. Conservation of Energy:**

It is always endeavour of the company to maintain the consumption of electric power and its own generators at the lowest possible level and optimise the use of energy through improved operational methods

**FORM -A**

Form for the Disclosure of Particulars with respect of Conservation of Energy

**1. Power and Fuel Consumption****a. Electricity**

1. Purchased Units	975712
2. Total Amounts (Rs.)	5117432
3. Average Rate/Unit (Rs.)	5.24

**b. Own Generation**

1. Through Diesel Generators /Units	Nil
2. Unit per ltr of Diesel Oil	
3. Average Rate/ Unit (Rs.)	

**c. Others**

1. HSD (Qty - KL)	31400 LTRS
2. Total Amounts (Rs.)	616083
3. Average Rate/ Unit (Rs.)	19.62
1. Coal (QTY -MT)	4104
2. Total Amounts (Rs.)	5249038
3. Average Rate/ Unit (Rs.)	1279.00

**B. (1) Research and Development:**

Company has developed new sections and efforts are made for quality improvement. In house research and development work is carried out by the company . No significant expenditure is incurred.

**(2) Technology absorption :**

There is no change in technology

**C. Foreign Exchange Earning and Outgo :**

	(Rs. In Lakhs )	
	Current Year	Previous Year
a) Total Foreign Exchange earned	1096.22	1067.31
b) Total Foreign Exchange used	360.29	272.68
c) Expenditure in Foreign currency	6.50	1.96

For and on behalf of the Board

Ahmedabad  
AUGUST 16, 2002

(Rajendra Tikmani)  
Managing Director