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**ALFA ICA (INDIA) LTD.**

**ALFA ICA (INDIA) LTD.****ANNUAL REPORT  
2008-2009****BOARD OF DIRECTORS**

<b>SHRI SHYAM SUNDER TIBREWAL</b>	: Chairman (from 31.07.2008)
<b>SHRI RAJENDRA TIKMANI</b>	: Managing Director
<b>SHRI SANJEEV SHARMA</b>	: Director
<b>SHRI RISHI TIKMANI</b>	: Executive Director

**AUDITORS**

**O. P. Bhandari & Co.**  
Chartered Accountants

**BANKERS**

**State Bank of India**  
Overseas Branch, Ahm. dabad

**REGD. OFFICE**

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

**WORKS****Unit-I**

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

**Unit-II**

204-205, Uma Industrial Estate,  
Village Vasana - lyawa, Tal. Sanand, Dist. Ahmedabad

**CORPORATE OFFICE**

Alfa Pallazzo, Near Shivrangani Cross Roads,  
Satellite Road, Ahmedabad - 380 015.

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## ANNUAL REPORT 2008-2009

### NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of ALFA ICA (INDIA) LTD. will be held at 1-4 Uma Industrial Estate, Village : Vasana-Iyawa, Tal.: Sanand, Dist. Ahmedabad on Friday the 25th September, 2009 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, 2009 and the Balance-Sheet as on that date.
2. To appoint a Director in place of Shri Sanjeev Sharma 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 pass with or without modifications the following resolution as the special resolution : -

" Resolved that subject to the provisions of section 314 and other applicable provisions of the Companies Act, 1956, the consent of the company to Miss Pooja Tikmani for her holding the office or place of profit in the company as Purchase Manager on a monthly salary in the grade of Rs. 30,000-60,000-90,000 plus the retirement benefits as available to the other executives of the Company be and is hereby accorded with effect from 01.10.2008."

By the order of the Board of Directors

Ahmedabad

August 22, 2009

**Registered Office:**

1-4 Uma Industrial Estate

Village : Vasana-Iyawa

Tal : Sanand, Dist : Ahmedabad

**Rajendra Tikmani**  
Managing Director

**Notes:**

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. 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 Register of Members and Transfer Books of the Company shall remain closed from 21.09.2009 to 25.09.2009 (both days inclusive). During this period the transfer of shares shall remain suspended.
3. Members are requested to immediately notify any change in their address with pin code and to quote their folio no.s in all the correspondence with the Company.
4. As per the requirement of clause 49 of the listing agreement on Corporate Governance for appointment of the Directors /re-appointment of retiring Directors, a statement containing details of the concerned Directors is given below:

<b>Name of Director</b>	Mr. Sanjeev Sharma
<b>Date of Birth</b>	14th June 1958
<b>Date of Appointment</b>	26th July 2004
<b>Expertise in specific functional areas</b>	Mr. Sharma started his career with State Bank of India, joining the Bank as a Probationary Officer in 1980. After working in the Bank in forex and credit appraisal/delivery for 12 years, he quit the Bank in December 1992 to set up Quantum Banking Resource Centre Pvt. Ltd
<b>Qualifications</b>	B.Sc, L.L.B, CAIIB, Diploma in Management
<b>List of outside Directorship held</b>	Quantum Banking Resource Centre Pvt. Ltd. State Bank of Bikaner and Jaipur
<b>Chairman/member of the committee of the Board of Directors of the Company*</b>	Audit Committee- Member
<b>Chairman/member of the committee of the Board of Directors of other Companies in which he is a Director*</b>	Nil
<b>Shareholding in the company</b>	Nil

\* Only Audit Committee & Shareholders/Investors Grievance Committee has been considered.

5. The Register of Directors' shareholding maintained under section 307 of the Companies Act, 1956 will be available for inspection by the members at the AGM.
6. Members / proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting.

**Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956.**

**Item No. 4**

Miss Pooja Tikmani was appointed as Purchase Manager on monthly salary in the grade of Rs. 30,000-60,000-90,000 with effect from 01.10.2008. Miss Pooja Tikmani is daughter of Managing Director Mr. Rajendra Tikmani and sister of Executive Director Mr. Rishi Tikmani and therefore as per the provisions of section 314 of the Act, the consent of the shareholders is required for her holding the office of Purchase Manager. The proposed resolution is recommended to be passed as special resolution.

None of the director except Mr. Rajendra Tikmani and Mr. Rishi Tikmani is interested or concerned in the proposed resolution. The appointment letter of Pooja Tikmani is open for inspection of the shareholders during the working hours at the registered office of the Company.

**DIRECTORS' REPORT**

The Shareholders

Your Directors have pleasure in presenting the Eighteenth Annual Report together with the Audited Accounts for the year ended 31st March, 2009.

**FINANCIAL RESULTS**

The financial results of your company for the year 2008-2009 are summarised below:

Particulars		(Rs. In Lacs)
	31.03.2009	31.03.2008
Sales & Other Income	4754.61	4787.53
Profit before Interest & Depreciation	343.01	350.31
Interest & Depreciation	232.53	243.64
Profit / (Loss) before taxes	110.48	106.67
Provision for Taxation	45.02	43.17
Profit/(Loss) after taxes	65.46	63.50
Profit/(Loss) brought forward from Previous year	389.09	325.59
Profit/(Loss) carried to Balance Sheet	454.55	389.09

**DIVIDEND**

To conserve resources and to maintain liquidity, the Board has not recommended declaration of any dividend for the year under review.

**YEAR IN PROSPECT**

The past year has been a year of upheavals for the world economy with all the major world economies entering a recessionary phase. The situation has been further compounded by closure of some major Banks and financial institutions in United States and Europe. The global meltdown has also affected India with the shrinkage of export markets and uncertainty about future overseas investments. But the twin positives of soundness of the Indian Banking system, coupled with a big domestic market with sustained demand for goods, are expected to blunt the sharpness of the global economic shock. Though the volatility in the international crude prices shall remain as a cause for concern and any deterioration in the price scenario may impact the overall growth forecasts.

The sustained export growth registered by your company in past years is expected to be affected by recession in major European Countries. The management is striving to maintain the profitability of operation through tighter working capital management.

**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, the applicable accounting standards have 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 are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit or loss of the Company for the year ended on that date.
- That the Directors have 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 have prepared the Annual Accounts on a going concern basis.

**DIRECTORS**

During the year Shri C L Agarwal resigned from the chairmanship of the company on account of his personal reasons. The board has noted the valuable services provided by him.

Pursuant to provision of Section 256 the Companies Act, 1956, Shri Sanjeev Sharma retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers himself for re-appointment.

The brief resume/detail relating to the Director who is to be re-appointed is furnished in the Notes to the Notice of the Annual General Meeting. Members are considered to consider their re-appointment as Directors of the Company

#### **PUBLIC DEPOSITS**

During the year under review, Company has not accepted any Deposits under the Provisions of Section 58A of the Companies Act, 1956.

#### **REDEMPTION OF PREFERENCE SHARES**

85,000 Redeemable Preference Shares issued by the Company have been redeemed in accordance with Provisions of Section 80 / 80A of the Companies' Act, 1956 during the year.

#### **INSURANCE**

All the existing Properties of the Company have been adequately insured.

#### **LISTING AGREEMENT**

The Company's Equity Shares are listed at Ahmedabad Stock Exchange (ASE) & Bombay Stock Exchange (BSE) and Listing Fees for the year 2009-2010 have been paid. Adequate care is being taken to comply with almost all the norms and guidelines as per the applicable provisions of the Listing Agreement with the Company.

The Company's Equity Shares are under 'Compulsory Demat'. The ISIN allotted to the Company is INE042C01010. As required by the SEBI's Circular, the Company has appointed M/s MCS Limited as its Registrar & Share Transfer Agent also to undertake transfer of physical share certificates besides acting as Electronic Registrars.

#### **CORPORATE GOVERNANCE**

The Company has implemented the adequate procedure and adopted practices in conformity with the code of Corporate Governance as enunciated in Clause 49 of the Listing agreement with the Stock Exchange.

The Management Discussion and Analysis and Corporate Governance Report are made part of the Annual Report.

A certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance is attached and forming part of the Director's Report.

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

Information in accordance with the provisions of Section 217(1) (C) 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.

#### **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. 2,00,000/- p.m. or Rs. 24,00,000/- p.a. during the period under review.

#### **STATUTORY AUDITORS:**

M/s. O.P.Bhandari & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and is eligible for re-appointment. The Company has received a certificate from them that their appointment if approved by the shareholders would be within the ceiling prescribed under section 224(1B) of the Companies Act, 1956. The members are requested to appoint auditors to hold office until the conclusion of the next Annual General Meeting of the Company.

#### **AUDITORS' REPORT**

The Auditors' Report for the year ended 31st March, 2009 and the notes forming part of accounts referred to in the Auditors' Report are self explanatory and give complete information.

The efforts are being made to employ a qualified company secretary and also to create a trust for payment of gratuity to the employees as required by the law.

#### **MATERIAL CHANGES**

No material changes have taken place since the closure of the financial accounts up to the date of the report, which may substantially affect the financial performance or the statement of the Company.

#### **ACKNOWLEDGEMENTS**

The directors sincerely express their gratitude to the Company's shareholders, government authorities, financial institutions, banks, and employees at all levels for their valuable assistance, support and co-operation and look forward to the same in the year to come.

For and on behalf of the Board

(Shyam Sunder Tibrewal)

Chairman

Ahmedabad  
August 22, 2009.

**ANNUAL REPORT 2008-2009****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 endeavor 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:**

	2008-2009	2007-2008
<b>Electricity</b>		
1. Purchase Units	1504261	1623886
2. Total Amount (Rs.)	8699281	7984739
3. Average Rate/ Unit (Rs.)	5.78	4.92
<b>Own Generation</b>		
1. Through Diesel Generation / Units	20896	35411
2. No. of Unit per Ltr. Of Diesel Oil	1.45	2.20
3. Average Rate / Unit (Rs.)	27.01	16.29
<b>Others</b>		
1. Diesel / Qty - KL	14369	16101
2. Total Amount (Rs.)	564507	576835
3. Average Rate / Unit (Rs.)	39.29	35.83
1. Fire Wood (Kg)	1106527	985180
2. Total Amount (Rs.)	2766251	1703269
3. Average Rate	2.50	1.73
1. Coal (QTY- MT)	6661.24	7245.28
2. Total Amount (Rs.)	12285858	8296623
3. Average Rate / Unit (Rs.)	1844.38	1145.11

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

Continuous 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

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

	(Rs. In Lakhs )	
	2008-2009	2007-2008
a. Total Foreign Exchange earned	4067.75	3609.83
b. Total Foreign Exchange used	1435.75	1135.82
c. Expenditure in Foreign Currency	1.85	NIL

For and on behalf of the Board

Ahmedabad  
August 22, 2009.

(Shyam Sunder Tibrewal)  
Chairman

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Although high pressure laminate industry has been affected by the recession in real estate and export markets, but quality maintenance shall be the key for long term sustenance.

### **OPPORTUNITIES AND THREATS**

The Indian units shall have to maintain their quality standards and wait for rebounding of the real estate Market / world economy.

### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company is engaged primarily in manufacturing of Laminate Sheets and there are no separate reportable segments as per the Accounting Standard 17.

### **OUTLOOK**

Exports shall remain the core growth area. The outlook seems to be stable in long term, with the economy expected to perform better from 2010 onwards.

### **RISK AND CONCERNS**

The company makes responsible approaches towards Risk Management on an integrated basis to cover all aspects of operations to diminish each or a combination of known risks that could affect its business. Need for lean manufacturing process has become extremely essential, considering the increasingly competitive market. Several steps are being taken to integrate material planning along with better demand forecasting. Risk in commodity prices and fuel prices also have an impact on the business. The Company would also take steps to improve anticipation of market movements in commodity prices.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has a proper independent and adequate system of internal controls to ensure that all the assets are protected against loss from unauthorized use of disposition and those transactions are properly authorized, recorded and reported correctly. The internal controls systems are designed in such a way to ensure that financial and other records are reliable for reporting financial statements and other data and for maintaining accountability of assets.

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Company has registered an aggregate turnover of Rs. 46.42 crores in 2008-09. During the same period, exports have shown a growth of 4.80%. Growth in top line and bottom lines would have been even better, had it not been for overall global meltdown.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The company maintained cordial industrial relations during the year.



**ANNUAL REPORT 2008-2009****CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

In Order to ensure sustainable returns to all shareholders of the business, it is imperative, especially for large organizations, to follow certain policies, procedures and processes, which together constitute a "Code of Corporate Governance."

Some of these measures included:

- Composition of the Board of Directors
- Constitute of various Board Committees for oversight and guidance concerning key decisions and soundness of decision making processes connected with functioning of the Company.
- Timely dissemination of information to shareholders.
- Code of Conduct.

**2. BOARD OF DIRECTORS****A) COMPOSITION OF BOARD OF DIRECTORS**

The Board of Directors comprises of Four Directors. The Composition of Board of Directors, the number of other directorship or board committees of which is a member / chairman are as under:

Name	Category/ Designation	No. of outside Directorship and Committee membership /Chairmanship		Inter se relationship between Directors		
		Directorship	Committee membership/ Chairmanship	Member	Chairman	
		Public Company	Private Company	ship	ship	
C L Agarwal*	Non Executive Independent Director, Chairman	Nil	1	Nil	Nil	Nil
Shyam Sunder Tibrewal*	Non Executive Independent Director, Chairman	Nil	1	Nil	Nil	Nil
Rajendra Tikmani	Promoter Director, Managing Director	1	1	Nil	Nil	Father of Rishi Tikmani
Sanjeev Sharma	Non Executive Independent Director	1	1	Nil	Nil	Nil
Rishi Tikmani	Promoter Executive Director	1	1	Nil	Nil	Son of Rajendra Tikmani

**B) BOARD MEETING AND ATTENDANCE**

The Board of Directors met 8 times during the year on the following dates: 30.04.08, 31.07.08, 11.08.08, 14.08.08, 22.09.08, 13.10.08, 25.10.08, 31.01.09 The Company placed before the Board various information including those specified under Annexure IA of the Listing Agreement, as applicable from time to time.

The attendance of the Directors of the company at the Board Meetings is as follows:

Name of Directors	Category of Director	No. of Board meetings held	No. of Board Meetings Attended	Last AGM Attended
C L Agarwal*	Chairman	8	2	No
Shyam Sunder Tibrewal*	Chairman	8	6	Yes
Rajendra Tikmani	Managing Director	8	3	Yes
Sanjeev Sharma	Member	8	3	Yes
Rishi Tikmani	Member	8	8	Yes

\* Mr. Shyam Sunder Tibrewal was appointed on 31st July, 2008. Mr. C.L. Agarwal was the chairman of the Board till 31st July, 2008 and attended two Board Meetings held under his tenure.