

Alpine Eco
outer ring road, marathalli



Alpine Viva
near Sai Baba Ashram, Whitefield



14th ANNUAL REPORT 2006 - 2007



Alpine Housing Development Corporation Limited



**14th Annual Report
2006 - 2007**



Alpine

Housing Development Corporation Limited

14th Annual Report
2006 - 2007

BOARD OF DIRECTORS

- : **Mr. S. A. KABEER**
Chairman & Managing Director
- Mr. M. K. RAMACHANDRA**
Director
- Mr. G. H. SATYANARAYANA GUPTA**
Director
- Mr. S. A. RASHEED**
Executive Director
- Mr. SYED MOHAMMED MOHSIN**
Director
- Mr. K. N. GUHA**
Director

REGISTERED OFFICE

- : **ALPINE HOUSING DEVELOPMENT CORPORATION LIMITED**
302, ALPINE ARCH
No.10, Langford Road,
Bangalore – 560 027.

BANKERS

- : Syndicate Bank
Canara Bank

AUDITORS

- : M/s.Rao & Venkatesulu
Chartered Accountants

STOCK EXCHANGES WHERE THE COMPANY'S SHARES ARE LISTED

- : 1. Mumbai Stock Exchange Ltd.,
2. Bangalore Stock Exchange Ltd.,



Alpine

Housing Development Corporation Limited

14th Annual Report
2006 - 2007

NOTICE

Notice is hereby given that **Fourteenth Annual General Meeting** of the members of **ALPINE HOUSING DEVELOPMENT CORPORATION LIMITED** will be held on **28th September, 2007**, Friday at **"Green Arch" Hall**, Woodlands Hotel Pvt. Ltd., No. 5, Raja Ram Mohan Roy Road, Bangalore - 560 025. at 11.00 A.M. to transact the following business.

I. ORDINARY BUSINESS:

1. To consider approve and adopt the audited balance sheet as at 31st March 2007 and the Profit and Loss account for the year ended on that date together with the Directors' report and the Auditor's report thereon.
2. To appoint a Director in the place of Mr.Syed Mohammed Mohsin who retires by rotation and being eligible offers himself for reappointment.
3. To appoint auditors and fix their remuneration.
4. To ratify the interim dividend @ 12.5% declared on 31st October 2006 by the Board of Directors as final dividend for the year 2006-07.

By Order of the Board,

Place : Bangalore
Date : August 29th, 2007

Sd/-
S.A.KABEER
Chairman & Managing Director



Alpine

Housing Development Corporation Limited

14th Annual Report
2006-2007

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.
2. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DULY STAMPED AND SIGNED IN THE FORMAT ANNEXED HERETO, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
3. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
4. The Register of members and the share transfer books of the company will remain closed on **27th and 28th September, 2007**.
5. Members are requested to bring their copies of Annual Reports to the meeting and also intimate the change in their registered address, if any, immediately quoting the folio reference to the address of registered office of the company.
6. Members having multiple folio(s) in identical names or Folios in joint names in the same order are requested to send all their share certificates to the company for consolidating such shareholding into one account to facilitate better service.
7. The Company has established De-materialized facility of Share with NSDL/CDSL. In lines with SEBI's circular, the company has also established common registry facility for demat and physical transfer of shares with M/s.CAMEO Corporate Services Ltd., No.1, Subramaniam Building, Club House Road, Chennai – 600 002. The Members/Shareholders are requested to avail this facility by forwarding their request for share transfer to the registrar and shares transfer agents, as mentioned above.
8. Mr.Syed Mohammed Mohsin who retires by rotation is eligible for re-appointment. The information pertaining to him is provided in the Corporate Governance Section.

By Order of the Board,

Place : Bangalore
Date : August 29th, 2007

Sd/-
S.A.KABEER
Chairman & Managing Director



Alpine

Housing Development Corporation Limited

14th Annual Report
2006 - 2007

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 14th Annual Report together with the Audited Accounts for the year ended 31.3.2007.

Financial Results:

Your Company's performance during the year as compared with that of previous year is summarized below:

Rupees in Millions

Particulars	For the year ended 31.03.2007	For the year ended 31.03.2006
Total Income	638.92	410.80
Total Expenditure	483.22	310.00
Profit Before Depreciation, Interest and Tax	157.70	100.80
Less : Interest & Finance Charges	2.52	1.65
Profit before Depreciation and Tax	153.18	99.15
Less : Provision for Depreciation	6.07	4.54
Profit before Tax	147.11	94.61
Less : Provision for Tax	17.65	8.40
Deferred Tax (Liability)/ (Assets)	(0.99)	1.94
Fringe Benefit Tax	0.08	0.17
Net Profit after Tax	130.37	84.10
Add: Balance in Profit & Loss Account as per last Balance Sheet	12.91	37.81
Less : Profit Transferred to General Reserves	10.55	109.00
Interim Dividend	8.12	
Dividend Tax	1.14	
Balance carried forward to Balance Sheet	123.47	12.91

The total income of the Company has gone up from Rs. 410.80 million in 2005-06 to Rs. 638.92 million in 2006-07, an increase in turn over of 56% and the net profit after tax has gone up from Rs.84.10 million in 2005-06 to Rs.130.37 million in 2006-07, an increase in net profit by 55%.

Finance:

Though our turnover has increased from Rs. 410.80 million to Rs. 638.92 million, yet we have not gone for any major institutional borrowing. Our net equity as of 31.3.2007 is Rs. 311.49 million, but our secured debts are only Rs. 15.58 million, a ratio of 1:0.05. Our unsecured loan mostly represents the deferred sales tax amount payable to State Government.

Dividend:

The Company has declared an interim dividend @ 12.5% during the year and the same has been proposed to be final dividend.

2. MANAGEMENT DISCUSSION, ANALYSIS AND REVIEW:

Prospects:

Housing Development :

Bangalore has seen a phenomenal growth in the Housing Sector particularly because of the IT Sector and its related activities. Several Multinational Software Companies have opened the developmental centers in Bangalore besides the Indian Software Companies. Most of the employees of these companies are in a position to afford to buy their individual houses thereby the demand in the housing sector has grown in a phenomenal way.

Alpine Housing has taken advantage of this and have launched several projects such as Alpine Eco, which consists of 580 apartments and this project is in the finishing stage. Alpine Viva is another project consisting of 354 apartments. The construction of this is in full swing. The other project is Alpine Pyramid consisting of 450 apartments. Construction of that also is going on in full pace. Besides these projects, many more projects are in the final stage of approvals such as Alpine Excel with 100 apartments and Alpine Fiesta of 280 apartments and many more projects are on drawing board. The revenues of these projects particularly Alpine Eco has been reflected on the financial figures of 2006-07 and the balance of the



Alpine

Housing Development Corporation Limited

14th Annual Report
2006 - 2007

revenue of Alpine Eco and other projects will be reflected in the accounting year 2007-08 and 2008-09.

Alpine Concrete Sleepers :

Our manufacturing unit at Wadi which is into manufacturing of Railway Concrete Sleepers and has been doing quite well. In view of new expansion plans of Indian Railways, we expect great future for our this unit.

Alpine Alloys

Our unit near Narsapur which is in outskirts of Bangalore is now fully operational. In this unit, we are mainly manufacturing SG & Grey Cast Iron products. We already have a long list of customers who intent to buy castings from our this unit. However, our main focus for supply of casting products have been for Indian Railways and related units. One of the main products that we intend to manufacture in this unit is inserts, which is one of the input item in the manufacturing of Railway Concrete Sleepers. As it is a safety item, we have to go through a lot of approvals before we start manufacturing of this product on commercial lines. We expect these approvals to come before end of September 2007 and once we get the approval, this unit will be working with full capacity.

Turnover :

As you all can see, we have already achieved a turnover of Rs. 63.89 crores in the year 2006-07 and a profit after tax of Rs.19.04 and we expect our turnover and profit during the year 2007-08 to be much higher than that.

3. CORPORATE GOVERNANCE:

The disclosures as required under the Corporate Governance Reporting System have been furnished in the Annual Report under the head "Corporate Governance" and the company is complying with the various requirements under the Corporate Governance reporting system.

4. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000 the Directors' confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.

- ii. Appropriate accounting policies have been selected and applied consistently. Judgments and estimates 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 2007 and of the profit of the company for the year ended 31st March 2007.

- iii. Proper and sufficient care has been taken for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- iv. The annual accounts have been prepared on a going concern basis.

5. DEPOSITORY SYSTEM (DEMAT FACILITY FOR SHARES):

The Company has established De-materialized facility of Share with NSDL/CDSL. In lines with SEBI's circular, the company has also established common registry facility for demat and physical transfer of shares with M/s.CAMEO Corporate Services Ltd., No.1, Subramaniam Building, Club House Road, Chennai – 600002.

The Members/Shareholders are requested to avail this facility by forwarding their request for share transfer to the aforesaid registrar and shares transfer agents.

6. LISTING WITH STOCK EXCHANGES:

As per the requirements of clause 49 of the Listing Agreement with Stock Exchanges, the Company hereby declares that the listing of its shares continued throughout the year with the following Stock Exchanges and the listing fee for the year 2006-2007 has been paid:-

Bangalore Stock Exchange Ltd., Post Box No.27024, No.51, Stock Exchange Towers, 1st Cross, J.C.Road, Bangalore – 560 027.

Mumbai Stock Exchange, Phiroze Jee Jeebhoy Towers, Dalal Street, Mumbai – 460 001.

Delisting of the Company Shares is pending from Stock Exchange Coimbatore, The Madras Stock Exchanges and The Hyderabad Stock Exchange.



Alpine

Housing Development Corporation Limited

14th Annual Report

2006 - 2007

7. FIXED DEPOSITS:

The Company has not accepted the fixed deposits from public during the year under review.

8. HUMAN RESOURCES:

We believe that just as engineering, technical expertise and specializations are the cornerstones of our progress; human capital also constitutes another important driver to the success in our business. The Company is proud of its 350 plus personnel team comprising experienced, skilled, committed and innovative engineers and it recognizes the invaluable contribution made by each of them. There was no strike or labour unrest during the period under review. The Company has provided a congenial working environment for its employees.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:

The information required under Section 217-(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Director) Rules, 1988, with respect to these matters is as under:

Conservation of Energy :

Though the Company's operation involves low energy consumption, there is a constant endeavor to conserve energy.

Absorption of technology:

The company has an in-house R & D wing for product up gradation/development.

Foreign Exchange earnings and outgo

Foreign Exchange earnings - Nil

Foreign Exchange outgo - Nil

10. DIRECTORS:

In accordance with the provisions of the Companies Act 1956 and the Articles of Association of the

Company, the following Director due for retirement by rotation and being eligible to consider for reappointment.

Mr. Syed Mohammed Mohsin, and he has done his graduation in commerce and has got rich experience of 20 years in the field of Finance and the Construction, having senior Management level experience both in India and abroad.

None of the Directors of the Company have incurred disqualification in terms of section 274(1)(g) of Companies Act 1956.

11. AUDITORS:

M/s. Rao and Venkatesulu, Chartered Accountants, the Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting. It is proposed to reappoint them till the conclusion of the next Annual General Meeting. M/s. Rao and Venkatesulu have pursuant to Section 224 1(B) of the Companies Act, 1956 furnished a certificate regarding their eligibility and given consent for re-appointment.

12. PERSONNEL:

Your Directors would like to express their sincere thanks and appreciation to all the employees for their commendable teamwork and exemplary contribution to operations and company's performance

Information pursuant to the provisions of Section 217 (2A) of the Company Act, 1956 read with the Companies (Particulars of Employees) Rules 1975. No employee is covered under the provision.

13. APPRECIATION

Your Board would like to place on record its sincere appreciation for the wholehearted support and contribution made by all its employees, shareholders, banks, financial institutions and other business associates towards conducting the operations of the company.

By Order of the Board,

Sd/-

S.A. KABEER

Chairman & Managing Director

Place : Bangalore

Date : August 29th, 2007



Alpine

Housing Development Corporation Limited

14th Annual Report
2006 - 2007

AUDITOR'S REPORT

To the Members of

ALPINE HOUSING DEVELOPMENT CORPORATION LIMITED

We have audited the Balance Sheet of ALPINE HOUSING DEVELOPMENT CORPORATION LIMITED as at 31st March, 2007 and the annexed Profit and Loss Account for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We have, on the basis of such checks as we considered necessary and the information and explanations given to us, given our findings on the matters required by the Companies (Auditor's Report) Order, 2003 issued by the central government under section 227 (4A) of the Companies Act, 1956, as applicable to the company in the annexure hereto.
2. Further to our comments in the Annexure referred to in paragraph (1) above:
 - a. we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

- b. in our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- c. the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with those Books of account;
- d. in our opinion, the Profit and Loss Account and the Balance Sheet dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
- e. on the basis of the information given to us, we report that none of the directors is disqualified as on 31st March, 2007 from being appointed as a director of the Company in terms of Section 274(1)(g) of the Companies Act, 1956; and
- f. In our opinion and to the best of our information and according to the explanation given to us, the accounts read together with the notes attached thereto give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2007; and
 - (ii) in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date.

for **RAO & VENKATESULU**
Chartered Accountant

Sd/-
V. PADMANABHAN
Partner
Membership No. 3181

Place : Bangalore
Date : June 29th 2007



Alpine

Housing Development Corporation Limited

14th Annual Report
2006 - 2007

ANNEXURE REFERRED TO IN PARA (1) OF OUR REPORT TO THE MEMBERS OF ALPINE HOUSING DEVELOPMENT CORPORATION LIMITED

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|---|---|
| <p>1.01 The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>1.02 The Fixed Assets have been physically verified at reasonable periodical interval by the management. As per the information given to us no discrepancy has been noticed.</p> <p>1.03 The company has not sold substantial part of its fixed assets during the year.</p> <p>2.01 The management has physically verified the inventory during the year.</p> <p>2.02 The procedure adopted for physical verification of the inventory is, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.</p> <p>2.03 The company has maintained proper records of inventory. Material discrepancy was not noticed on physical verification.</p> <p>3.01 The Company has not taken loans from its Directors during the year. The Company has not granted any advance in the nature of loan to any of its Directors or their relatives or to a Firm or Company listed in the register maintained under Section 301 of the Companies Act, 1956 in which the Directors of the Company or their relatives are interested as partners and Directors.</p> <p>3.02 The terms and conditions for repayment of the principal amount of loans and the interest in respect of loans taken from Directors in the earlier years was specified and all amounts due to them have been repaid during the year.</p> <p>3.03 In view of what is stated in paragraph 3.02 supra, in our opinion, the terms and conditions under which such loan was taken in the earlier years are not, prima facie, prejudicial to the Company.</p> | <p>4.01 In our opinion and according to the explanations given to us, there are adequate internal control procedures, commensurate with the size of the company and the nature of its business with regard to the purchase of goods and fixed assets and sale of goods. We have not noticed any continued failure to correct major weaknesses in internal control.</p> <p>5.01 On the basis of the checks made by us there were no transactions during the year, which need to be entered into a register maintained under section 301 of the Companies Act, 1956.</p> <p>5.02 The company had no transactions during the year, which are entered in the register, maintained u/s 301 of the Companies Act, 1956.</p> <p>6.01 The Company has not accepted any deposits from the public during the year.</p> <p>7.01 The company has an internal audit system which in our opinion is adequate having regard to the size of the company and the nature of its business.</p> <p>8.01 According to the information and explanations given to us the Company is not required to maintain any cost records in terms of the prescription made by the Central Government u/s section 209 (1)(d) of the Companies Act, 1956.</p> <p>9.01 The company has, according to the information and explanations given to us, the statutory liability in respect of Central Excise Duty, Provident Fund, Employees State Insurance, Income Tax, Entry Tax, Service Tax, Fringe Benefit Tax and Sales Tax. On the basis of such checks as we considered necessary the Company been regular in depositing such undisputed statutory dues with the appropriate authority, though delays have been caused in certain cases. There are no dues, which are due for more than a period of six months which remained outstanding as at 31st March 2007.</p> <p>9.02 There are no dues in respect of Central Excise Duty, Provident Fund, Employees State Insurance, Income Tax, Entry Tax, Service Tax, Fringe Benefit Tax and Sales Tax, which have remained unpaid owing to pending dispute.</p> |
|---|---|