



15th Annual Report

—2007-2008—

**ALPINE HOUSING DEVELOPMENT
CORPORATION LIMITED
BANGALORE**



**15TH ANNUAL REPORT
2007-2008**



Alpine

Housing Development Corporation Limited

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2 0 0 7 - 2 0 0 8**

15th Annual General Meeting

On Monday, the 29th day of September, 2008

At 11.00 A.M at

“Green Arch Hall”

Woodlands Hotel Pvt Ltd., No 5

Raja Ram Mohan Roy Road

Bangalore – 560 025

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BOARD OF DIRECTORS

: **Mr. S.A. KABEER**
Chairman & Managing Director

Mr. M.K. RAMACHANDRA
Independent Director

Mr. G.H. SATYANARAYANA GUPTA
Director

Mr. S.A. RASHEED
Whole Time Director

Mr. SYED MOHAMMED MOHSIN
Director

Mr. K.N. GUHA
Independent Director

Mr. N.K. MALU
Independent Director

Mr. V. KARTHIK
Independent Director

Mr. ASHOK KUMAR TRIPATHY
Company Secretary

AUDITORS

: **M/s. Rao & Venkatesulu**
Chartered Accountants

BANKERS

: Syndicate Bank
Canara Bank

REGISTERED OFFICE

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

REGISTER AND SHARE TRANSFER AGENTS

: **M/s. CAMEO CORPORATE SERVICES LTD.,**
Subramaniam Building, 5th floor, No.1
Club House Road, Mount Road, Chennai – 600 002.
Phone.No.91-044-28460390



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NOTICE

Notice is hereby given that **Fifteenth Annual General Meeting** of the Company will be held at **"Green Arch" Hall**, Woodlands Hotel Pvt Ltd, No. 5, Raja Ram Mohan Roy Road, Bangalore - 560025 at 11 A.M. on **29th September, 2008, Monday** to transact the following business:-

I. ORDINARY BUSINESS:

1. To consider approve and adopt the audited balance sheet as at 31st March 2008 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. M. K. Ramachandra who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in the place of Mr. K. N. Guha who retires by rotation and being eligible offers himself for reappointment.
4. To declare dividend on Equity Shares for the financial year ended 31st March, 2008.
5. To appoint auditors and fix their remuneration.

II. SPECIAL BUSINESS:

No. 6: To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED that Clause III (A) of the Memorandum of Association of the company be altered by insertion of the under-mentioned sub-clauses after sub-clause 5 as sub-clauses 6,7,8 & 9.

6. To carry on the business of manufacturing, producing, crushing, acquiring, importing, exporting, buying, selling, treating, processing, developing, retreating, storing, distributing, transporting, and otherwise dealing in all kinds and classes of pig iron, sponge, iron and steels of all kinds, ferrous metals and alloys, iron & metal scrap, ferro-alloys, cast iron and steel and metal goods, tools and implements of all kinds, billets, pre-reduced billets, ingots and bass.

7. To set up any mineral based industry to manufacture or process minerals, purchase, take on lease, or otherwise acquire any mines, mining rights and metalliferous land in Karnataka or anywhere and any interest therein and to explore, work, exercise, develop and turn to account the same.
8. To act as a consultant, construction advisor to any plant whether in India or abroad for manufacturing, producing, treating, processing, developing, in all kinds of non-ferrous metals pig iron, sponge iron, steel and metal goods. To co-generate, generate electricity through conventional or non conventional means from raw material or waste heat or form any other material for selling to the outside buyers or for its own consumption, to continuously invest in research activities for diversifying, improving, production, maintenance and growth of the Company.
9. To search for, get, work, raise, make merchantable, sell and deal in iron, coal iron stone, Brick earth, Fire-clay, limestone, Dolomite, Quartz, Quartzite, manganese asbestos and other metals, mineral and substances and to manufacture and sell fuel and other products.

No. 7: To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED that pursuant to Provision of Companies Act and Rule 10B of the Companies (Central Government 's) General Rules and Forms 1956 Article of Association of the company be altered by alteration of the clause 78 as follows:

The Directors for the time being of the company shall each be paid a sitting fee of a sum Rs 2000/- or as may be decided by the Board from time to time or every meeting of the board or of a committee of the board or of a committee of the board attended by them in addition all travelling expenses by rail or air as the case may be and such other allowances as the board may



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decide from time to time in respect of halting and other expenses incurred by them in attending and returning from such meeting of the board or of any committee of the board of general meeting of the Company.

No. 8 : To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Nand Kishore Malu who was appointed as a Additional Director of the Company on 2nd June 2008 and holds office up to the date of this Annual General Meeting, being eligible, offers himself for appointment as a Director of the Company and in respect of whom the Company has received a Notice from a Member under the provisions of Section 257 of the Companies Act, 1956 proposing the candidature of Mr N. K. Malu for the office of the Director, be and is hereby appointed as a Director of the Company, whose office shall be subject to retirement by rotation."

No 9. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED that the consent of the company under the provisions of section 293(1)(d) of the Companies Act, 1956, and other relevant or applicable provisions of the said Act, if any, be and is accorded to the Board of Directors of the Company borrowing, from time to time, as it may consider fit, any sums of money, on such terms and conditions as the Board may deem fit notwithstanding that the monies to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers/ Financial Institute in the ordinary course of business) will exceed of the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so that the total amount of moneys so borrowed at any time shall not exceed the sum of Rs. 100.00 Crores (Rupees One Hundred Crores only) at any one time."



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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 from **25th to 29th September, 2008** inclusive of both days.
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., Subramaniam Building 5th floor, No.1, Club House Road, Mount 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. K. N. Guha and Mr. M. K. Ramachandra who retires by rotation are eligible for re-appointment. The information pertaining to him is provided in the Corporate Governance Section.
9. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed herewith.

By Order of the Board,

Sd/-

S.A. KABEER

Chairman & Managing Director

Place : Bangalore

Date : Sept 01st, 2008



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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956

Item No.6:

The Board of Directors of your company decided to diversify and enlarge the existing business and to start some new business, for which company add some new growing business activity in its existing objects. The performance of the company in existing objects even though satisfactory, the additions of the clause 6, 7, 8 & 9 contribute the company to enlarge its present operations and to attain healthy financial positions to meet the future challenges. Thus in aggregate company's main aspect of business to have increased value per equity shares, can be achieved smoothly.

In accordance with the provisions of Section 17 of the Companies Act, 1956, alteration of Object Clause requires approval of the members by way of a Special Resolution. Therefore, the resolution is placed before you for consideration and approval.

The Directors recommend the adoption of the resolution in the interest of the company. None of the Directors of the Company has any interest in the proposed resolution except as a shareholder.

Item No.7:

The Board of Directors of your company decided to increase the sitting fees by looking to the current situation and the enhancement of all expenditure from Rs 250.00 to Rs 2000.00. The old sitting fees was very small amount and also not relevant to present cost.

In accordance with the provisions of Section 31 of the Companies Act, 1956, alteration of Article of association requires approval of the members by way of a Special Resolution.

Therefore, the resolution is placed before you for consideration and approval.

The Directors recommend the adoption of the resolution in the interest of the company. None of the Directors of the Company has any interest in the proposed resolution except as a shareholder.

Item No 8.

Shri N. K. Malu has been appointed as additional Director of the Company at the Board of Directors Meeting of the Company held on 2nd June, 2008 and accordingly the tenure of his appointment shall expire in this AGM. Shri N. K. Malu is a qualified Engineer and is an industrialist. In terms of provisions of the Companies Act, 1956 as amended from time to time, Shareholders' approval by way of Ordinary Resolution is necessary for the appointment. Shri N K Malu has joined the Board of Director as a non executive & Independent Director.

The resolution is placed before you for consideration and approval.

The Directors recommend the adoption of the resolution in the interest of the company. None of the Directors of the Company has any interest in the proposed resolution except as a shareholder.

Item No 9.

Pursuant to the provisions of section 293(1) (d) of the Companies Act, 1956, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the shareholders of the Company in a General Meeting. The expansion programme of the Company is being carried out in full swing and it is expected that the Company will require an amount around of Rs. 100.00 Crores. Therefore your Directors place before you the proposal to fix the maximum borrowing limit of Rs. 100.00 Crores.

The proposed transaction will require the approval of the shareholders by ordinary resolution.

The Board of directors put up the resolutions for approval of shareholders.

None of the directors are interested in above resolution except as a shareholder.

Place : Bangalore
Date : Sept 01st, 2008

By Order of the Board,
Sd/-
S.A. KABEER
Chairman & Managing Director


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Details of Directors seeking Appointment / reappointment at the Annual General Meeting as per clause 49(IV)(G)(i) of the Listing Agreement.

Particulars	Mr. M K Ramachandra	Mr. K. N. Guha	Mr. N. K. Malu
Date of Birth	12.08.1937	24.03.1947	20.08.1946
Date of Appointment	21.05.1992	31.03.2005	02.06.2008
Qualification	B.Sc., M.B.A.	B.Sc., L.L.B., C.A.I.I.B	B.E.
Experience	An Industrialist, has been director of Nationalised Banks and also Chairman of Karnataka State Industrial Finance Corporation and former president of Greater Mysore Chamber of Commerce.	Basically a banker, vast experience in banking, finance and related areas. Also delivers lectures at some of the premier management schools in Bangalore.	An engineer having 20+ years of experience as an industrialist.
Expertise in specific functional area	Industrialist	Advisor (Corporate banking)	Industrialist
Directorships held in other Public Companies (excluding Foreign Companies) as at 31st March, 2008.	<ol style="list-style-type: none"> 1. Kap Steel Limited 2. Kap Chem Limited 3. Alfred Herbert India Limited 4. Pavanputra Financial & Investment Ltd 5. Mysore Vegetable Oil Products Limited 6. Krishna Plastic Industries Limited 7. Krishna Plasto Fibre (Bangalore) Limited 	<ol style="list-style-type: none"> 1. Jupiter Bioscience Ltd 2. Sven Gentech Ltd 	
Number of shares held in the Company as at 31st March, 2008	Nil	Nil	Nil



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DIRECTORS' REPORT

Your Directors have pleasure in presenting the 15th Annual Report together with the Audited Accounts for the year ended 31.3.2008.

Financial Results:

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

Rupees in Millions

Particulars	For the year ended 31.03.2008	For the year ended 31.03.2007
Total Income	647.97	638.92
Total Expenditure	464.28	483.22
Profit Before Depreciation Interest and Tax	183.69	157.70
Less: Interest & Finance Charges	10.90	2.52
Profit before Depreciation and Tax	172.79	153.18
Less: Provision for Depreciation	7.98	6.07
Profit before Tax	164.81	147.11
Less : Provision for Tax	19.20	17.65
Deferred Tax (Liability)	2.03	(0.99)
Fringe Benefit Tax	0.12	0.08
Net Profit after Tax	143.38	130.37
Add: Balance in Profit & Loss Account as per last Balance Sheet	123.47	12.91
Less : Profit Transferred to General Reserves	8.60	10.55
Proposed / Interim Dividend	8.12	8.12
Dividend Tax	1.38	1.14
Balance carried forwards to Balance Sheet	248.75	123.47

The total income of the Company has gone up from Rs.638.92 million in 2006-07 to Rs. 647.97 million in 2007-08, and the net profit after tax has gone up from Rs130.37 million in 2006-07 to Rs143.38 million in 2007-08.

Finance :

Though our turnover has increased from Rs 638.92 million to Rs.647.97 million, yet we have not gone for any institutional borrowing. Our net equity as of 31.3.2008 is Rs.445.37 million, but our secured debts are only Rs.170.73 million, a ratio of 1:0.38. Our unsecured loan mostly represents the deferred sales tax amount payable to State Government.

Dividend:

The Company has proposed to declare a dividend @ 12.50% during the year.

Transfer to Reserves

We have transferred an amount of 2.5% of current profit to General Reserve as required under the regulation for the distribution of Dividend. An amount of Rs. 248.75 million is proposed to be retained in the Profit & Loss Account.

2. MANAGEMENT DISCUSSION, ANALYSIS AND REVIEW

PROSPECTS

HOUSING DEVELOPMENT :

Housing Projects in Bangalore saw an immense growth in the last three years and we have been able to launch successfully three Major Projects- Alpine Eco, Alpine Viva and Alpine Pyramid, totalling to over 1500 Apartments.

Alpine Eco is completed and it is being handed over, where as alpine Viva and Alpine Pyramid are under construction.

We have already taken up four more new projects which are in different stages of approval and they will be launched soon.

All our projects are around IT belt and thereby we are in captive zone and we do not have much difficulty in selling our apartments. However the Indian Real estate market is not immune to impact of global inflation in general and Indian inflation in particular and also the raise in interest rate is also bringing the pressure on our sales as most of our customers take housing loans to buy apartments, inspite of all these pressures we have been able to achieve sales of Rs 64.80 Crores in 07-08 and profit after tax of Rs 14.38 Crores.

Alpine Concrete Sleepers:

Our manufacturing unit at Wadi, Gulbarga District, viz. Alpine Concrete Sleepers, which supplies concrete