

ALAN SCOTT INDUSTRIES LIMITED



***10th Annual Report
2003-2004***

NOTES



Alan Scott Industries Limited**BOARD OF DIRECTORS**

MR. SUKETU J. PARIKH	(CHAIRMAN & MANAGING DIRECTOR)
MRS. PRAGNA S. PARIKH	(DIRECTOR)
MS. ASMITA J. PARIKH	(EXECUTIVE DIRECTOR)

REGISTERED OFFICE

38, APURVA INDUSTRIAL ESTATE,
MAKWANA ROAD, MAROL NAKA,
ANDHERI (EAST),
MUMBAI – 400 059.

BANKERS

GLOBAL TRUST BANK LIMITED
DEVELOPMENT CREDIT BANK LIMITED

AUDITORS

JAYESH DADIA & ASSOCIATES
CHARTERED ACCOUNTANTS

REGISTRARS AND TRANSFER AGENTS

INTIME SPECTRUM REGISTRY LTD.
C-13, PANNALAL SILK MILLS COMPOUND
L.B.S.MARG, BHANDUP (W),
MUMBAI – 400 078.
TEL : 5555 5454, FAX : 5555 5353

DEMAT FACILITY

AVAILABLE TO CO'S
SHAREHOLDERS
ISIN NO. INE273F01014

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10th Annual Report 2003-2004**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE TENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF **ALAN SCOTT INDUSTRIES LIMITED** WILL BE HELD ON THURSDAY, THE 30TH SEPTEMBER, 2004 AT 10.00 A.M. AT 38, APURVA INDUSTRIAL ESTATE, MAKWANA ROAD, OFF ANDHERI KURLA ROAD, MAROL NAKA, ANDHERI (EAST), MUMBAI - 400 059, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as on 31st March, 2004 and Profit & Loss Account for the year ended on that date and Report of the Auditors and Directors thereon.
2. To appoint a Director in place of Ms. Pragna S. Parikh who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint auditors in place of Jayesh Dadia & Associates, Chartered Accountants, Mumbai, as Auditors of the Company, to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and, if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution :-

"RESOLVED that Ms. Asmita J. Parikh who was appointed as an Executive Director of the Company with effect from 25/05/2004, who retired by rotation and who holds office upto the date of this Annual General Meeting be and is hereby appointed as Director of the company, liable to retire by rotation."

Place : Mumbai
Date : 01/09/2004

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-
PRAGNA S. PARIKH
(DIRECTOR)

Registered Office

38, Apurva Industrial Estate,
Makwana Road, Marol Naka,
Andheri (E), Mumbai 400 059

NOTES :-

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain Closed from 28th September, 2004 to 30th September, 2004 (both days inclusive)
3. Members are requested to intimate any change in their address to the Company's Registrars and Shares Transfer Agents, M/s Intime Spectrum Registry Ltd., at the earliest quoting their folio numbers.
4. Members desirous of obtaining any information concerning accounts and operations of the Company, are requested to address their questions in writing to the Board of Directors of the Company, at least 7 days before the date of the Meeting, so that the information required may be made available at the Meeting.
5. Members should bring their copies of Annual Reports to the Annual General Meeting. Copies will be distributed at the meeting as measure of economy.
6. The members who have not yet exchanged their Counter Receipts with Share Certificates are hereby requested to hand over/submit the same at the Office of Registrar and Transfer Agents of the Company at the earliest.
7. The Company's shares are already traded in dematerialized form under NSDL. The ISIN No. allotted by NSDL is INE273F01014. Members are requested to avail these facilities. The Company has also initiated steps to register its scrip's under CDSL.

Place : Mumbai
Date : 01/09/2004

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-
PRAGNA S. PARIKH
(DIRECTOR)

Registered Office

38, Apurva Industrial Estate,
Makwana Road, Marol Naka
Andheri (E), Mumbai - 400 059.

Alan Scott Industries Limited

DIRECTOR'S REPORT

The Members,
Alan Scott Industries Limited,

The Board of Directors have the pleasure in presenting the Tenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2004.

FINANCIAL RESULTS

	(RS.IN LACS) 2003-2002	(RS.IN LACS) 2002-2003
Gross Turnover	83.94	398.24
(Including other Income)		
Profit /(Loss) before interest and	12.16	44.16
Depreciation and Tax		
Less: Financial Charges	5.93	5.03
Profit /(Loss) before depreciation & Tax	6.23	39.13
Less: Depreciation	2.99	9.19
Profit /(Loss) before tax	3.24	29.94
Less: Provision for Income Tax	-	-
Prior year Extra Ordinary Income	-	-
Profit /(Loss) after tax	3.24	29.94
Profit /(Loss) brought forward from		
Previous Year	(117.68)	(147.62)
Balance carried to Balance Sheet	(114.43)	(117.68)

DIVIDEND

In view of the unabsorbed loss of the earlier year, your Directors express their inability to recommend dividend for the financial year 2003-04.

OPERATIONS

The Company has made efforts to survive in the Market in spite of the complete destruction of its production facilities.

The New India Assurance co. has not yet paid the claim amount. They have delayed over 21 months in spite of regular reminders and calls to them.

However on receipt of the same the company will reinstate its production facilities.

PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposits in contravention of Section 58A of the Companies Act, 1956 and the Rules made there under during the year under review.

OBSERVATION IN THE AUDITORS' REPORT

The observations made by the Auditors in their Report have been duly clarified / explained in their report or in the relevant Notes forming part of the Annual Accounts, which are self explanatory and do not need any further clarification. Further as regards Auditors observation for internal Audit system the Board is taking appropriate steps to strengthen the same.

10th Annual Report 2003-2004**PERSONNEL**

Our Company's human resources have been playing a vital role in achieving organizational objectives. The Company's growth and progress is the result of hard work and devotion of all the employees. None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed u/s 217(2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors affirm that;

- (i) in the preparation of the Annual Accounts of the Company, the applicable Accounting Standard have been followed ;
- (ii) the Directors have 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 31/03/2004 and the Profit & Loss Account for the year ended on that date ;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- (iv) the Directors have prepared the Annual Accounts on a going concern basis.

DIRECTORS

Ms. Reshma Koorji retire by rotation and on her place Ms. Asmita J. parikh has been appointed as a Executive Director.

As required under Corporate Governance, the brief particulars of Directors retiring by rotation is as under:

Ms. Asmita J. Parikh was appointed as a Director w.e.f. 25.05.2004.

The Board recommends her appointment.

PARTICULARS U/S 217 (1) (e) OF THE COMPANIES ACT, 1956.

As required u/s 217-(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 the relevant information is given below:

A CONSERVATION OF ENERGY

Power & Fuel Consumption:	Current Year	Last Year
1] ELECTRICITY		
a] Purchase Units	12,075	2,39,774
Amount	75,557	10,78,985
Rate / Unit	6.25	4.50
b] Own Generated Units		
Total Oil Consumed	Nil	Nil
Total Amount	Nil	Nil
Rate / Unit	Nil	Nil
2] STEAM GENERATOR:		
a] Consumed		
Keep	Nil	Nil
Total Oil consumed	Nil	Nil
Rate / kg/(Rs)	Nil	Nil

Alan Scott Industries Limited

3] CONSUMPTION PER UNIT OF PRODUCTION

Products (with details) unit Socks 1.04 lacs

Pairs (4.20 lacs pairs Previous Year)

Electricity	0.17	0.93
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B RESEARCH & DEVELOPMENT

The Company has no specific Research and Development Department.

C FOREIGN EXCHANGE EARNING / OUT GO

Current Year Last Year

Total Foreign Exchange earned	Nil	Rs.16,11,899
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Total foreign exchange outgo

For Expenses	Nil	Nil
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For Training	Nil	Nil
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For Travel	Nil	Nil
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For Machinery	Nil	Nil
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For Component Spares	Nil	Rs.215,595
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AUDITORS

The Auditors of the Company, M/s.Jayesh Dadia & Associates, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and being eligible u/s 224 (1B) of the Companies Act,1956,have expressed their willingness to act as the Auditors of the Company, if appointed. The Directors recommend their appointment as the Auditors of the Company.

CORPORATE GOVERNANCE

Your company is required to comply with the code of corporate governance as mandated by the SEBI, Under Clause 49 of the Listing Agreement with the OTC by 31.03.2003. The Board has already initiated measures to ensure that the code is complied with.

Pursuant to Clause 49 of the Listing Agreements with the OTC Exchange, a Management Discussion and Analysis, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. A note on the Company's efforts to discharge its social responsibility is also included.

ACKNOWLEDGEMENT

The Directors take this opportunity to thank all the employees for their contribution to the Company's performance during the year under review. The Directors place on record their appreciation for assistance and support from various Government Agencies, Bankers and Financial Institutions.

The Directors also express their gratitude to the Shareholders of the Company for their continuous support to the Management.

BY ORDER OF THE BOARD OF DIRECTORS

sd/-
SUKETU J.PARIKH
(CHAIRMAN)

PLACE: MUMBAI

DATE:01/09/2004

10th Annual Report 2003-2004

AUDITOR'S REPORT

TO,
THE MEMBERS OF
ALAN SCOTT INDUSTRIES LIMITED.

1. We have audited the attached Balance Sheet of **ALAN SCOTT INDUSTRIES LIMITED** as at 31st March, 2004 and also Profit and Loss Account for the year ended on that date annexed thereto.

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.

2. We conducted our audit in accordance with 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
- (i) 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;
 - (ii) In our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this Report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of representations received from the Directors as on 31st March 2004 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March 2004 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 :
 - (a) In case of the Balance Sheet, of the state of affairs of the company as at 31st March 2004; and
 - (b) In case of the Profit and Loss account, of the profit for the year ended on that date,
 - (c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Jayesh Dadia & Associates,
Chartered Accountants.

Jayesh Dadia
Partner
M.No.: 33973

Mumbai, Dated : 1st September, 2004

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) As informed to us all the assets have been physically verified by the Management during the year at reasonable intervals and no material discrepancies were noticed on verification;
- (c) During the year, the company has not disposed off a substantial part of the Fixed Assets;
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) In respect of loans, secured or unsecured, granted or taken by the by the company to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956: