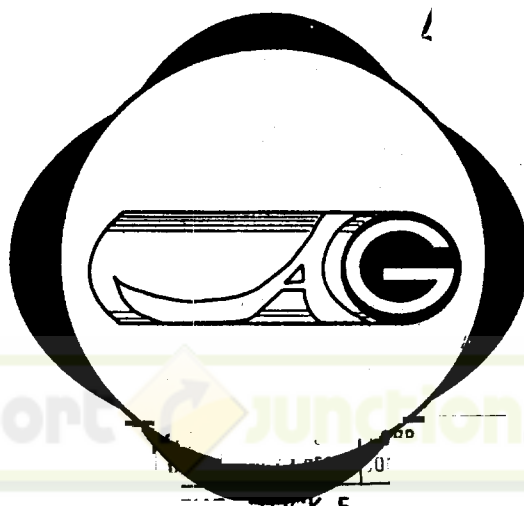


SEVENTH

ANNUAL REPORT
1999-2000



Report Junction.com

**ALPHA GRAPHIC INDIA
LIMITED**

CERTIFIED TRUE COPY

For, Alpha Graphic India Ltd.

Jagatohja

Director

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ALPHA GRAPHIC INDIA LIMITED
SEVENTH ANNUAL REPORT 1999-2000

BORAD OF DIRECTORS SHRI MADHUBHAI M. KIKANI CHAIRMAN & MANAGING DIRECTOR
SHRI LALJIBHAI S. PATOLIYA EXECUTIVE DIRECTOR
SHRI NILESH D. KIKANI EXECUTIVE DIRECTOR

BANKERS THE SOUTH INDIAN BANK LTD.
THE KALUPUR COMMERCIAL CO OP BANK LTD.

AUDITORS M/S BHAGAT & ASSOCIATES
CHARTERED ACCOUNTANTS
103/104 PANCHDEEP COMPLEX
MITHAKHALI SIX ROAD
NAVRANGPURA AHMEDABAD - 380 009.

REGISTERED OFFICE & WORKS SURVEY NO 396/406
VILLAGE : MORAIYA, SARKHEJ BAVLA ROAD
TAL : SANAND, DIST : AHMEDABAD
PIN : 382 213

NOTICE

NOTICE is hereby given that the **SEVENTH** Annual General Meeting of the members of the Alpha Graphic India Limited will be held on the Friday the 25th day of August 2000, at 9.00 a.m. at the Registered office of the Company, at Survey No.396/406, Village Moraiya, Sarkhej Bavla Road, Taluka Sanand, District Ahmedabad 382 213 to transact the following business.

A. ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2000, and Profit and Loss Account for the twelve months period ended on 31st March 2000 and report of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Shri.Laljibhai Patoliya who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint the Auditors of the company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

To consider and if thought fit to pass with or without modification, the following resolution as ordinary resolution

RESOLVED that M/S Bhagat & Associates, Chartered Accountants, Ahmedabad, the retiring auditors of the company, be and are hereby appointed as Auditors of the Company, to hold office from conclusion of this meeting, until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors exclusive of travelling plus out of pocket expenses.

SPECIAL BUSINESS**4. APPOINTMENT OF SHRI M. M. KIKANI AS MANAGING DIRECTOR**

To consider and if thought fit to pass, with or without modifications, the following as ORDINARY RESOLUTION :

"RESOLVED THAT subject to Section 198, 269, and 309 read with provisions of Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any modification or reenactment thereof, the Company hereby accords its approval and consent to the appointment of SHRI MADHUBHAI M. KIKANI as the Managing Director of the Company for a period of 5 years commencing from 1st July, 2000, on remuneration and on the terms and conditions as embodied in the draft Agreement copy whereof has been submitted to this meeting, initialled by the Chairman for the purpose of identification".

"RESOLVED FURTHER THAT this meeting approves, in the event of absence or inadequate of profits in any financial year, SHRI MADHUBHAI M. KIKANI, the Managing Director of the Company be paid the remuneration as embodied in the draft Agreement as minimum remuneration in that respective year".

"RESOLVED FURTHER THAT Shri L. S. Patolia Executive Director be and is hereby authorised to execute the said agreement to be entered into with the Company and the Managing Director on behalf of the Company, under its common seal, and on the same terms and conditions or such modifications as may be agreed by the Board of Directors of the Company and the Managing Director."

5. REAPPOINTMENT OF SHRI L. S. PATOLIYA AS EXECUTIVE DIRECTOR

To consider and if thought fit to pass, with or without modifications, the following as ORDINARY RESOLUTION:

"RESOLVED THAT subject to Section 198, 269, and 309 read with provisions of Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any modification or reenactment thereof, the Company hereby accords its approval and consent to the appointment of SHRI LALJIBHAI S. PATOLIYA as the Executive Director of the Company for a period of 5 years commencing from 1st July, 2000, on remuneration and on the terms and conditions as embodied in the draft Agreement copy whereof has been submitted to this meeting, initialled by the Chairman for the purpose of identification".

"RESOLVED FURTHER THAT this meeting approves, in the event of absence or inadequate of profits in any financial year, SHRI LALJIBHAI S. PATOLIYA, the Executive Director of the Company be paid the remuneration as embodied in the draft Agreement as minimum remuneration in that respective year".

"RESOLVED FURTHER THAT Shri MADHUBHAI M. KIKANI, the Chairman & Managing Director be and is hereby authorised to execute the said agreement to be entered into with the Company and the Executive Director on behalf of the Company, under its common seal, and on the same terms and conditions or such modifications as may be agreed by the Board of Directors of the Company and the Executive Director."

6. DELISTING OF EQUITY SHARES FROM THE DELHI STOCK EXCHANGE

To consider and if though fit to pass with or without modification the following resolution as a Special Resolution.

RESOLVED THAT pursuant to the provisions of the Securities Contracts (Regulation) Act, 1956, the Companies Act, 1956 and pursuant to the guidelines issued by the Securities and Exchange Board of India (SEBI) for the purpose of voluntary Delisting of Securities, and subject to such approvals and consents of other Authorities, if any required, the consent of the Company be and is hereby accorded to discontinue the official listing of its Equity Shares from the Delhi Stock Exchange Ltd, and accept the delisting of the said Shres with effect from such date and subject to such conditions as this stock exchange may convey in writing, which the Board of Directors is hereby authorised to accept wholly or in part or with such modifications and/or alterations as may be deemed fit by it.

RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorised to forward the application in this connection, for and on behalf of the Company, in manner so required together with such documents, information etc relating to the Company, as may be and deem expedient in the matter.

RESOLVED FURTHER THAT the Board of Directors is hereby also authorised to execute such papers, declarations, undertakings etcm in such manner and to do all such acts, deeds and things which are necessary and incidental to give effect to the above resolution.

NOTES

1. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is respect of business under item no 4 to 6 set above is annexed hereto.
2. A member entitled to attend and vote at this Annual General Meeting may appoint a proxy and vote on poll on his behalf. The proxy need not be a member of the company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Annual General Meeting.
3. The Share Transfer Books and Register of Members will remain closed from Saturday, 19.08.2000 to Friday, 25.08.2000. (Both days inclusive)
4. The members are requested to kindly indicate any change in their address immediately at the Registered Office of the Company.
5. Members/Proxies are requested to produce the Attendance Slip at the entrance of the Meeting Hall.
6. Members/Proxies are requested to bring the copy of their Annual Report alongwith them.
7. Members desiring any information about Accounts at the meeting are requested to write to the company atleast 5 days prior to the Annual General Meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Place : MORAIYA
Date : 25/07/2000

M.M.KIKANI
MANAGING DIRECTOR

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956
FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING**

ITEM NO 4. APPOINTMENT OF SHRI MADHUBHAI KIKANI AS MANAGING DIRECTOR.

The Company has now established its name and brand in its products in the market and is on progressing path. With the increase in the sales volume, the work load of the company will get increased tremendously and thus it is proposed to assign various functions of production to **SHRI MADHUBHAI KIKANI** as Managing Director.

SHRI MADHUBHAI KIKANI, the Director of your Company is looking after the day to day operations of the Plant activity at plant site from inception of the project. He is M. Tech, Gold Medalist, Thus he is highly qualified and experienced technocrat and with his knowledge and experience the Company can grow at faster rate. Shri M. M. Kikani was appointed as Managing Director for a period of Five years w.e.f. 01.07.1995 by Ordinary resolution adopted by the members of the Company in their Second General Meeting held on 30.06.1995. His present terms as Managing Director has expired on 30.06.2000 and it will be in the interest of the Company to reappoint him as Managing Director for a further period of Five years.

The Board of Directors have passed the necessary resolution appointing him as Managing Director in their meeting held on 30th June 2000 subject to necessary approval by the members in the ensuing Annual General Meeting. The remuneration proposed to Shri M.M. Kikani is required to be approved by the Members of the company.

Shri MADHUBHAI M. Kikani will be paid the remuneration as under.

- (a) Salary of Rs. 30000/- (Rs. Thirty Thousand only) per month in the scale of Rs. 30000-3000-42000.
- (b) 2 % Commission on the net profits of the Company for each financial year computed in a manner specified under sections 198 and 309 of the Companies Act, 1956.
- (c) Perquisites :- Perquisites stated below shall be restricted to an amount equal to the annual salary or Rs.4,50,000/- per annum whichever is less. Unless the context otherwise requires, the perquisites are classified into three categories as PART A, B, AND C as under.

PART A

1. HOUSING

HOUSING I : The expenditure by the company on hiring unfurnished accommodation will be subject to the following ceilings:

- (a) At Mumbai, Calcutta, Delhi and Madras : 60 % of Salary, over and above 10 % payable by the director concerned.
- (b) At other Places : 50 % of Salary, over and above 10 % payable by the director concerned.

The expenditure incurred by the Company on gas, electricity, water and furnishings will be valued as per the Income tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary of the Director concerned.

HOUSING II : In case accommodation is owned by the Company, 10 % of the Salary of the Director concerned shall be deducted by the Company.

HOUSING III : In case no accommodation is provided by the Company, the Director concerned shall be entitled to house rent allowance subject to the ceiling laid down in housing.

2. MEDICAL

Medical benefits for the self and family (noninterchangeable) Reimbursement of expenses actually incurred, the total cost of which to the company shall not exceed one month's salary in a year and three months salary over a period of three years.

3. LEAVE TRAVEL CONCESSION

Leave Travel Concession for self and family once in a year in accordance with the rules of the company.

4. CLUB FEES

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

5. PERSONAL ACCIDENT INSURANCE

Personal accident insurance of an amount, the annual premium of which does not exceed Rs. 4000/- per annum.

EXPLANATION

For the purpose of Part A, family means the spouse, the dependent children and the dependent parents of the individual.

PART-B

6. Company's contribution towards provident fund as per the rules of the Company, subject to a ceiling of 10% of the salary.
7. Company's contribution towards pension / superannuation fund. Such contribution together with contribution to the Provident Fund shall not exceed 25% of the salary as laid down in the Income Tax Rules 1962. (The overall ceiling referred to above will be non-interchangeable).
8. Gratuity (non-interchangeable) : Payable in accordance with an approved Fund and which does not exceed one half month's salary for each completed year of Service.

Contribution to Provident Fund, Superannuation Fund, Annuity will not be considered or included for the computation of ceiling of perquisites to the extent those either singly or put together are not taxable under the Income Tax Act.

9. Encashment of accumulated leave at the end of the tenure. However, this will not be included in the computation of the ceiling on perquisites.

PART-C

10. Provision of car for use of company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the individual Managerial Personnel concerned.

(d) Earned / Privilege Leave :- On full pay and allowances, as per rules of the company but not more than one month's leave for every eleven month's of services.

(e) The Managing Director shall also be entitled to reimbursement of entertainment expenses actually and proerly incurred in the course of legitimate business of the company.

None of the directors except **Shri M. M. Kikani** are interested in the said resolution. Your directors recommend the resolution

ITEM NO 5. APPOINTMENT OF SHRI LALJIBHAI PATOLIYA AS EXECUTIVE DIRECTOR.

SHRI LALJIBHAI PATOLIYA, the Director of your Company is looking after the Administrative work, Accounts, finance and liasion work at office from inception of the project. He is B. Com, LL. B, having a more than 12 years experience with various organisation as Account Manager, Administrator, Thus he is highly qualified and experienced Administrator and with his knowledge and experience the Company can grow at faster rate. **Shri L. S. Patoliya** was appointed as Executive Director for a period of Five years w.e.f. 01.07.1995 by Ordinary resolution adopted by the members of the Company in their Secornd General Meeting held on 30.06.1995. His present terms as Managing Director has expired on 30.06.2000 and it will be in the interest of the Company to reappoint him as Executive Director for a further period of Five years.

The Board of Directors have passed the necessary resolution appointing him as Executive Director in their meeting held on 30th June 2000 subject to necessary approval by the members in the ensuing Annual General Meeting. The remuneration proposed to **Shri L.S. Potaliya** is required to be approved by the Members of the company.

Shri L. S. POTALIYA will be paid the remuneration as under.

- Salary of Rs. 8000/- (Rs. Eight Thousand only) per month in the scale of Rs. 8000-1000-12000.
- 2 % Commission on the net profits of the Company for each financial year computed in a manner specified under sections 198 and 309 of the Companies Act, 1956.
- Perquisites :- Perquisites stated below shall be restricted to an amount equal to the annual salary or Rs.4,50,000/- per annum whichever is less. Unless the context otherwise requires, the perquisites are classified into three categories as PART A, B, AND C as under.

PART A

1. HOUSING

HOUSING I : The expenditure by the company on hiring unfurnished accommodation will be subject to the following ceilings:

- At Mumbai, Calcutta, Delhi and Madras : 60 % of Salary, over and above 10 % payable by the director concerned.
- At other Places : 50 % of Salary, over and above 10 % payable by the director concerned.

The expenditure incurred by the Company on gas, electricity, water and furnishings will be valued as per the Income tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary of the Director concerned.

HOUSING II : In case accommodation is owned by the Company, 10 % of the Salary of the Director concerned shall be deducted by the Company.

HOUSING III : In case no accommodatin is provided by the Comapny, the Director concerned shall be entitled to house rent allowance subject to the ceiling laid down in housing.

2. MEDICAL

Medical benefits for the self and family (noninterchangeable) Reimbursement of expenses actually incurre , the total cost of which to the company shall not exceed one month's salary in a year and three months salary over a period of three years.

3. LEAVE TRAVEL CONCESSION

Leave Travel Concession for self and family once in a year in accordance with the rules of the company.

4. CLUB FEES

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.