



**17<sup>th</sup>**

**Annual Report 2009-2010**



**ALPHA GRAPHICS  
INDIA LIMITED**

**17<sup>th</sup> Annual Report (2009-2010)**

**BOARD OF DIRECTORS**

JIKESH SHAH	:	CHAIRMAN
ANKUR SHAH	:	M.D.
PALLAVI PANDIT	:	NON-EX. IND.DIR
DEEPAK CHANANA	:	NON-EX. IND.DIR
KETAN SHAH	:	DIRECTOR

**REGISTERED OFFICE**

B-7/403, NATRAJ TOWNSHIP PART-II,  
PARSURAM NAGAR SOC. RD.,  
SAYAJIGUNJ, VADODARA - 390005

**AUDITOR**

M/S. O. P. RATHI & CO.  
CHARTERED ACCOUNTANTS  
102, SHIVANI FLATS  
NR. BANK OF INDIA  
ELLORAPARK  
VADODARA - 390023

**BANKERS**

KOTAK MAHENDRA BANK LTD, MUMBAI

**REGISTRAR AND TRANSFER AGENT**

PURVA SHARE REG. INDIA PVT. LTD.  
9-SHIV SHAKTI INDL. EXTATE,  
J.R. BORICHA MARG,  
OPP. KASTURBA HOSPITAL,  
LOWER PAREL (E),  
MUMBAI - 400011

**Notice**

Notice is hereby given that the 17TH Annual General Meeting of the members of ALPHA GRAPHICS INDIA LIMITED will be held at the Registered Office of the Company at 11.00 A.M. on 30<sup>th</sup> Sept., 2010 to transact the following business.

**ORDINARY BUSINESS**

1. To receive consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2010 and Profit & Loss Account for the year ended on that date together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Deepak Chanana, who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Ankur Shah, who retires by rotation and is eligible for reappointment.
4. To appoint auditors of the company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

**SPECIAL BUSINESS:**

4. To consider and if thought fit to pass with or without modification following as ordinary resolution :  
Resolved that pursuant to Provisions of Section 260 of the companies Act, 1956, Mr. Jikesh Shah , who was appointed by the board as Additional Director w.e.f. 26-11-2009 be and is hereby appointed as Director of the company whose term of office will be liable to determination to retire by rotation.
5. To consider and if thought fit to pass with or without modification following as ordinary resolution :  
Resolved that pursuant to Provisions of Section 260 of the companies Act, 1956, Mr. Ketan Shah, who was appointed by the board as Additional Director w.e.f. 28-05-2010 be and is hereby appointed as Director of the company whose term of office will be liable to determination to retire by rotation.

**NOTES :**

- 1 A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and proxies need not be member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before meeting.
- 2 The Registered of Members and share transfer books of the company will remain close from 29-09-2010 to 30-09-2010 (both days inclusive).
- 3 Change of addresses, if any, may be communicated to the Registered Office of the Company.
- 4 The shares of the Company are listed on Stock Exchanges at Mumbai and Ahmedabad.
- 5 Members desiring any information as regards accounts are requested to write to the Company at least seven days in advance of the Annual General Meeting so as to enable the management to keep the information ready.
- 6 Shareholders are requested to bring their copies of the Annual Report at the meeting.

**By Order of the Board of Directors  
For ALPHA GRAPIC INDIA LTD.**

**SD/-**

**(JIKESH SHAH)**

**Chairman**

**PLACE : BARODA  
DATE : 02-09-2010**

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956****Item no. 4**

Jikesh Shah, Director of the Company, was appointed by the Board of Directors of the Company as an additional Director w.e.f from 26-11-2009 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about him are given in para 2 of the Corporate Governance Report. A notice in writing has been received u/s. 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except himself.

**Item no. 5**

Ketan Shah, Director of the Company, was appointed by the Board of Directors of the Company as an additional Director w.e.f from 28-05-2010 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about him are given in para 2 of the Corporate Governance Report. A notice in writing has been received u/s. 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except himself.

**By Order of the Board of Directors  
For ALPHA GRAPIC INDIA LTD.**

**SD/-**

**(JIKESH SHAH)**

**Chairman**

**PLACE : BARODA  
DATE : 02-09-2010**

**Directors' report**

The Directors have pleasure in presenting the 17TH Annual Report of Alpha Graphic India Limited together with the audited Statement of Accounts for the year ended March 31, 2010.

**Financial Highlights (Rupees in Lacs)**

<b>PARTICULARS</b>	<b>Year ended 31.03.2010</b>	<b>Year ended 31.03.2009</b>
Profit / (Loss) Before Taxation	150430	810769
Less: Provision for Taxation		
- Current Tax	16998	85109
- Deferred tax	0	Nil
Profit / (Loss) After Taxation	133432	725660
Add: Pr. Yr. Balance B/f.	(9447659)	(10173319)
Surplus / (Deficit) carried to B/S	(9314227)	(9447659)

**Dividend**

The company has not declared any dividend for F.Y 2009-10.

**Operations**

The Directors of the Company have been exploring various diversified areas to keep the company operational and in their effort they succeeded.

**Risk Management**

As a financial services company, the Company is committed to ensure that effective risk management policies and practices are incorporated as fundamental aspects of all its business operations. The Corporate Risk Management Group of the Company has a comprehensive risk management policy in place, addressing primarily areas such as market, credit and operation risks. This policy seeks to minimise the risks generated by the activities of the Company. The group continuously develops and enhances its risk management and control procedures in order to better identify and monitor risks and to proactively take appropriate actions to mitigate the same.

**Future Outlook**

Due to government policies and economic growth in the country, the capital market is playing a vital role in the economy of the country and more and more investors are attracting towards the capital market hence the future prospects of the company are very bright.

**Public Deposits**

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

**Directors**

During the year, Ankur Shah and Deepak Chanana will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers themselves for re-appointment.

In addition, Abhay Javlekar & Anish Shah resigned from the Directorship of the company.

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956****Item no. 4**

Jikesh Shah, Director of the Company, was appointed by the Board of Directors of the Company as an additional Director w.e.f from 26-11-2009 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about him are given in para 2 of the Corporate Governance Report. A notice in writing has been received u/s. 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except himself.

**Item no. 5**

Ketan Shah, Director of the Company, was appointed by the Board of Directors of the Company as an additional Director w.e.f from 28-05-2010 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about him are given in para 2 of the Corporate Governance Report. A notice in writing has been received u/s. 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except himself.

**By Order of the Board of Directors  
For ALPHA GRAPIC INDIA LTD.**

**SD/-**

**(JIKESH SHAH)**

**Chairman**

**PLACE : BARODA**

**DATE : 02-09-2010**

**Auditors**

The Statutory Auditors, M/S. O.P. RATHI & CO, Chartered Accountants have to be reappointed in ensuing AGM hence the members of the company are requested to consider their re-appointment.

**FOREIGN EXCHANGE EARNING AND EXPENDITURE**

There were no Foreign Exchange transactions during the year.

**PERSONNEL AND OTHER MATTERS**

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are not given as no employee was coming under the provisions set of section 217 (2A).

Since the Company does not own any manufacturing activity, the disclosure of information relating to conservation of energy and technology absorption to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable and hence not given.

**AUDIT COMMITTEE**

The Company has formed an Audit Committee comprising of 3 directors. The terms of the reference of the committee are in line with the requirements as stipulated u/s 292A of the Co. Act, 1956 and Corporate Governance as stated in Clause 49 of the Listing Agreement.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm that in preparation of the annual accounts for the year ended March 31, 2010-

1. the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. they had selected such accounting policies and applied them consistently and made;
3. judgements and estimates that are reasonable and prudent had been taken so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
4. they had 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; and
5. they had prepared the annual accounts on a going concern basis.

## **CORPORATE GOVERNANCE AND COMPLIANCE**

A report on corporate governance is annexed to this report. A certificate from Statutory Auditors with regards to the compliance of the corporate governance by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of clause 49.

## **ACKNOWLEDGEMENTS**

The Directors thank the clients for the confidence reposed, which has enabled the Company in successfully achieving the satisfactory performance.

The Directors also thank the Company's bankers, lenders, the Government of India, the Securities and Exchange Board of India, the Reserve Bank of India and other statutory authorities for their continued support to the Company.

The Directors express their gratitude for the support and guidance received from its shareholders.

The Directors also express their sincere thanks and appreciation to all the employees for their commendable teamwork, professionalism and contribution during the year.

**For and on behalf of the Board  
For ALPHA GRAPHIC INDIA LTD.**

**Sd/-  
(JIKESH SHAH)  
Chairman**

**DATE : 02-09-2010  
PLACE : BARODA**



# **ANNEXURE TO THE DIRECTORS REPORT REPORT ON CORPORATE GOVERNANCE**

## **A) COMPANY'S PHILOSOPHY**

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients' interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

## **B) BOARD OF DIRECTORS**

Composition and category of Directors

SR.NO	CATEGORY	NAME OF THE DIRECTORS
I.	Non-Executive Chairman	Jikesh Shah
II.	Managing Director	Ankur Shah
III.	Independent Director	Pallavi Pandit
IV	Independent Director	Deepak Chanana
V	Director	Ketan Shah

During the year 7 Board meetings were held on 27-04-2009, 27-07-2009, 02-09-2009, 27-10-2009, 26-11-2009, 27-01-2010 & 28-03-2010 The Composition of Directors & attendance at the Board Meeting during the year & at the last AGM is as follows:

Name of Directors	Category of Directors	No of Board Meeting attend	Attendance at AGM	No. of other Director ships	Committee Membership Member / chairman	
Jikesh Shah	Non-Exe Chairman	3	NO	0	-	-
Ankur Shah	Managing Director	7	YES	0	-	-
Ketan Shah	Director	0	NO	0	3	1
Deepak Chanana	Ind. Dir	7	YES	0	3	1
Pallavi Pandit	Ind. Dir	7	YES	0	3	1

**C) AUDIT COMMITTEE**

The Audit committee of the Board was formed in the year 2000 and during F.Y. 2009-10, comprises of 3 Directors who met 4 times during the year and attendance of the members at the meeting was stated hereinbelow.

**Composition :-**

<b>Name of Director</b>	<b>Category &amp; Position</b>	<b>Meeting Attended</b>
Pallavi Pandit	Ind. Dir & Chairman	5
Deepak Chanana	Member	5
Ketan Shah	Member	0

**Terms of Reference:-**

The terms of reference for the audit committee as laid down by the Board include the following:-

- a) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgment by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- d) Reviewing with the management, statutory and internal auditors, and the adequacy of internal control system and ensuring compliance therewith.
- e) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- f) Reviewing the Company's financial and risk management policies.
- g) To review the functioning of the Whistle Blower Policy adopted by the Company.
- h) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

**D) REMUNERATION COMMITTEE**

This is a non-mandatory requirement. The company has constituted a Remuneration Committee since 15/7/2002 to decide and fix payment of remuneration and sitting fees to the Directors of the Company.