



DECO-MICA LIMITED

22nd

Annual Report

2010-2011



DECO-MICA LIMITED

Board of Directors	: Shri Vijaykumar Agarwal	Chairman & Managing Director
	Shri Vishal V. Agarwal	Director
	Shri Udaybhan V. Tripathi	Director
	Shri Harishbhai Joshi	Director
Auditors	: J.T.Shah & Co. Chartered Accountants Ahmedabad	
Bankers	: State Bank of India Ahmedabad	
Registered Office	: 306, ISCON Mall, Star bazaar building, Jodhpur Char Rasta, Ahmedabad-15	
Factory	: Plot No. 1195, Rajpur, Chhatral-Mehsana Highway, Taluka-Kadi, Gujarat	

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of DECC MICA LIMITED will be held at 306, 3rd Floor, Iscon Mall, Star Bazaar Building, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015 on Friday 30th September, 2011 at 4.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet as at 31st March 2011 Profit and Loss Account for the year ended on that date and the reports of the Directors and the Auditors thereon.
2. To appoint a Director Shri Vijaykumar Agrawal who retires by rotation and being eligible to offer himself for re-appointment.
3. To appoint a Director Shri Harishbhai Joshi who retires by rotation and being eligible to offer himself for re-appointment.
4. To appoint Auditors of the company to hold office up to the conclusion of the next Annual General Meeting and to fix their remuneration

SPECIAL BUSINESS:

5. To Consider and if thought fit to pass with all without modification the following Resolution as an ordinary resolution:

RESOLVED THAT Pursuant to section 383A as amended by the Companies (Amendment) Act, 2000, M/s D.N. Motwani & Co. Company Secretaries be and are hereby appointed to certify the compliance of the provisions of the Company Act 1956 and issue the Certificate in the format as prescribed under the Companies (Compliance Certificate) Rules, 2001 for the F.Y 2011-12 on such remuneration plus out of pocket Expenses incurred for issued of such Certificate as may be decided by the chairman in Consultation with the said Company Secretary.

6. To consider and if thought fit to pass with or /without modification the following resolution as a special resolution.

RESOLVED THAT in partial modification of the terms of appointment of remuneration of the Managing Director of the Company Mr. Vijaykumar Agarwal, the remuneration payable be increased under section 311 of the Companies Act 1956, as under.

SALARY

Rs. 2,50,000 p.m. including perquisites like medical reimbursment, H.R.A., C.A. Children Education Allowance, Entertainment expense etc.

CONTRIBUTIONS

Towards providend funds, super annuity fund to the extent these are singly or put together not taxable under the Income Tax Act, 1961.

7. **RESOLVED THAT** in accordance with the provision of 198,269,309 and 311 read with XIII and other applicable provisions if any, of the Companies Act, 1956 Shri Vijaykumar D. Agarwal be and is hereby re appointed as Managing Director of the Company for the period of five years commencing from 03.01.2012 to 02.01.2017 on terms and conditions with regard to his remuneration as specified in the explanatory statement attached hereto with an authority to Board of Director to after and/or very including the enhancement of

his remuneration in such manner and to such extent as may be agreed between the Board of Director and Shri Vijaykumar D. Agarwal so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments there to.

ANNEXURE TO NOTICE

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

ITEM NO. 5

Pursuant to the amendment made by The Companies (Amendment) Act, 2000 in section 383 A of the Companies Act, 1956 our Company is required to obtain Secretarial Compliance Certificate from practicing Company Secretary for the F.Y. 2010-11. Accordingly The Company has appointed D. N. Motwani and Co., Company Secretaries to issue the said certificate for the F.Y. 2010-11 and the same is attached to the Report.

Board of Directors recommends the resolution for approval of Company Secretary for the Financial Year 2011-12.

None of the Directors are interested in the said resolution.

ITEM NO.6 & 7

The management has increased the salary of Shri Vijaykumar Agrawal the resolution set out in item 6 is proposed in under section 311 of the Act. The Tenure of Vijaykumar Agrawal as Managing Director will expire on 02.01.2012 subject to the approval of shareholders under section 269 read with section 310 of the Companies Act, 1956 thought is given by the management to reappoint Shri Vijaykumar Agrawal for the further period of 5 years. The resolution is proposed as special Resolution under Para (B) Par 1 of section II of Part II. The terms and conditions of reappointment of Vijaykumar Agrawal is as under:

1. SALARY

Sr. No.	Name of Director	Designation	Scale	Period	Remarks
1	Shri Vijaykumar D. Agarwal	Managing Director	250000-100000 -750000	03.01.2012 to 02.01.2017	Liable to retire by rotation

2. Perquisites:

Following perquisites will be provided subject to condition that the total amount of perquisites will not exceed an amount equal to annual salary.

Category A

(a) Medical Reimbursement:

Reimbursement of medical expenses incurred in connection with the medical treatment of self and family members not exceeding an amount equal to One Month's salary in a year.

(b) Leave Travel Concession (LTC):

Reimbursement of travelling expenses for self and family members once every year.

(c) Club fees:

Membership fees not more than 2 clubs. However admission fees shall not be admissible.

(d) Insurance Premium:

Insurance premium for the personal accident for self and dependents shall be as per the Company norms.

Category B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceilings on perquisites to the extent these either singly or put together are not taxable under Income Tax Act.

Privileged Leave: As per the rules of the Company Unclaimed Privileged Leave be encashed at the end of the year i.e. 31st March.

Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.

Category C

Provision of car with Chauffer for use Company's Business and telephone at residence will not be considered as perquisites.

That in the event of loss or inadequacy of profit the aforesaid remuneration shall be paid to these Directors as minimum remuneration.

A) General Conditions:

1. The total remuneration payable to the Managing Director shall not exceed the maximum limits as permissible in the Schedule XIII of the Companies Act, 1956 (Part II 1(B))

2. They shall be entitled to such other privileges, facilities and amenities in accordance with the rules and regulations of the company, as may be applicable to the senior management of the Company within the overall limits prescribed in the Companies Act, 1956.

B) Minimum Remuneration:

In the event of absence or inadequacy of profits during their term of office, the remuneration payable to them shall not exceed the maximum limits as permissible under Schedule – XIII of the Act. (Part II 1(B))

Shri Vijaykumar Agrawal shall not be liable for retire by rotation during his tenure for the period of 5 years.

None of the Directors except Vijaykumar & Vishalkumar Agrawal are interested in the resolution set out in item 6 & 7.

On behalf of the Board

Place : Ahmedabad

Date : 29.07.2011

Vijaykumar Agarwal

Chairman & Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is also entitled to appoint proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxies in order to be effective must be lodged with the company not less than 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address to the Company's Registered Office.
3. Members are requested to bring their copies of the Annual Report to the meeting.
4. The Members/Proxies should bring the Attendance Slip sent herewith duly filled for attending the meeting.
5. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of special business is annexed hereto
6. Share Transfer Book & Register of Members will remain Closed from 27.09.2011 to 30.09.2011 (Both Days inclusive)
7. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled in E- Communication Registration Form' attached at the end of this report and with the registrars M/s MCS Limited of the Company. The members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only.

Certificate of Company with the Code of Conduct Policy

A provided under clause 49 of the listing agreement with the Bombay Stock Exchange Limited the Board members and the senior management personnel have confirmed compliance with the code of conduct and ethics for the year ended on 31 March 2011.

Date: 29.07.2011

For, Deco Mica Ltd.

Place: Ahmedabad

**Vijay Agrawal
Managing Director**



TWENTY SECOND ANNUAL REPORT 2010-11

DIRECTORS REPORT

To

The Shareholder,

Your Directors have pleasure in presenting their Annual Report together with AUDITED ACCOUNTS for the year ended on 31st March 2011.

FINANCIAL RESULTS

PARTICULARS		Current Year (Rupees in Lacs) 2010-11	Previous Year (Rupees in Lacs) 2009-10
Sales(net)		2490.44	2294.06
Profit before Tax		166.38	139.54
Add: Prior Period Adjustment		0.00	(1.69)
Add: Excess Provision of Income Tax			
		166.38	137.85
Less:	a. Current Tax	(57.00)	(46.00)
	b. Fringe Benefit Tax		
	c. Deferred Tax	(0.42)	(10.86)
	d. Short provision of Income Tax	(2.32)	0.00
Net Profit		106.64	80.99
Add/Less: Balance brought from previous year		106.58	25.60
Balance carried to balance sheet		213.22	106.59

DIVIDEND

To plough back the profit for the capital expansion your Directors do not propose any dividend for the financial year 2010-11.

OPERATIONS

During the year under review, the Company's net sales increased to Rs. 2490.44 Lacs as compared to Rs. 2294.06 Lacs during the previous year showing the growth of over 06.6% compared to previous year. Despite the steep price increase by the suppliers of the vital raw material on account of spiraling crude oil prices in the international market, the efficient management of resources and cost controls exercised by the Company Management, your Company has performed exceedingly well during the year and hopes to continue the growth momentum in the current year also.

PLANS AND PROSPECTS

Your Directors have a great sense of excitement at the unprecedented opportunities unfolding in the infrastructure sector and expect further boost to our industry as its future has been directly linked to the growth in the infrastructure and the related sectors.

On the whole, the business environment looks, encouraging, the demand for the Company's products continue to be robust in the home market. Your Company has plans, for debottlenecking of the existing facilities by carrying out modifications of the equipments as well as installation of

additional machineries to improve the quality and control the costs of the products.

Although your Directors are confident of maintaining the growth in the coming years, with new entrants and almost all manufactures enhancing their capacities, market will be fiercely competitive, there by margins are expected to be under some pressure.

DEPOSITORY SYSTEM

Your Company has entered into an agreement with the National Securities Depository Limited (NSDL). This enables you to hold your shares in a dematerialized form with the depository.

Since this mode facilitates quick transfers and prevents forgery, those shareholders who have not opted for this facility are advised to dematerialize their shares in their own interest.

INSURANCE

All the assets of the Company have been adequately insured.

PERSONNEL

There were no employees drawing remuneration as mentioned under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS

Shri Vijaykumar Agrawal retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

Shri Harishbhai D. Joshi retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000 with respect to Directors Responsibility Statement, it is hereby confirmed;

- (i) that in the preparation of the accounts for the financial year ended 31st March 2011, the applicable accounting standards have been followed along with proper explanation relating to the material departures,
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent 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 or loss of the Company for the year under review,
- (iii) that the Directors have 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,
- (iv) that the Directors have prepared the annual accounts on a 'going concern' basis.

LISTING AGREEMENT

Your Company is committed to good corporate governance practices. Under clause 49 of the listing agreement, your Directors are pleased to inform that your Company has implemented all the major stipulations prescribed under clause 49 of the listing agreement with the Stock Exchange(s). A certificate from the Statutory Auditors of the Company in line with clause 49 is annexed to and forms part of the Annual Report.



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The Company has complied with all the Clauses of the Listing Agreement and has paid the Listing fees for the financial year 2010-11.

There is no trading of Shares in view of Suspension. The Company has approached the concerned Stock Exchanges for revocation of Suspension.

SECRETARIAL COMPLIANCE CERTIFICATE

Pursuant to the amendment made by The Companies (Amendment) Act, 2000 in Section 383 A of The Companies Act, 1956, Our Company is required to obtain Secretarial Compliance Certificate from a Practicing Company Secretary for the F.Y. 2010-11. The Shareholders have appointed M/s.D.N. Motwani & Co., Company Secretaries to issue the said certificate for the financial year 2011-12. Accordingly, the Certificate issued by M/s.D.N. Motwani & Co., Company Secretaries, in the format prescribed under the Companies (Compliance Certificate) Rules, 2001 in respect of the Compliance of the Provisions of the Companies Act, 1956 for the F.Y. 2010-11 is attached.

The Board recommends appointing M/s D.N. Motwani & Co., Company Secretaries to certify the Compliance of the provisions of the Companies Act, 1956 for the F.Y. 2011-12.

FIXED DEPOSITS

The Company has not accepted deposits from public.

AUDITORS

You are requested to appoint the auditors for the current year and to fix their remuneration. The retiring auditors J.T. Shah & Co., Chartered Accountants, are eligible and offer themselves for re-appointment. The Company has received a certificate from J.T. Shah & Co. to the effect that their re-appointment, if made, will be within the prescribed limits specified in Section 224(1-B) of the Companies Act, 1956.

AUDITORS REPORT

The observations of the Auditors are explained wherever necessary in the appropriate notes annexed to the accounts. The explanations contained in the notes may be treated as information/ explanations submitted by the Board as contemplated U/s.217 (3) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors wish to thank all the Employees and the bankers of the company for their support in the operations of the Company.

For and on behalf of the Board of Directors

Date: 29.07.2011

Place: Ahmedabad

Vijaykumar Agrawal
Chairman & Managing Director

CORPORATE GOVERNANCE

Your Company is committed to the highest standards of corporate governance in all its activities.

Company's Philosophy on code of governance:

The Company's Philosophy of corporate governance is aimed at assisting the top management of the company in the efficient conduct of its business and in meeting its obligation to stakeholders.

Board of Directors:

a) Composition

The Board of Directors of the Company consists of 4 Members comprising of.

- Two Promoters Directors, one of them is in the Whole time employment of the Company and the other is Non-Executive Director.
- Two Independent Director.

b) Other Directorship / Committee memberships held

Name of Director	Category	Designation	Memberships held in other companies Committee Member
Shri Vijaykumar Agarwal	Promoter	M.D	Nil
Shri Vishal Agarwal	Promoter	Director	Nil
Shri Udaybhan V. Tripathi	Independent	Director	Nil
Shri Harishbhai Joshi	Independent	Director	Nil

DIRECTORS SEEKING RE- APPOINTMENT

Mr. Harishbhai Joshi retires at Annual General Meeting. He is Post Graduate in medical Science and has experience of 30 years of a Neurophysician.

Mr. Vijaykumar Agrawal is Commerce Graduate and has experience of over 30 years

c) Board Meeting held during the year:

S. No.	Date of Board Meeting
1.	01/04/2010
2.	11/05/2010
3.	12/07/2010
4.	7/08/2010
5.	31/08/2010
6.	20/10/2010
7.	04/02/2011