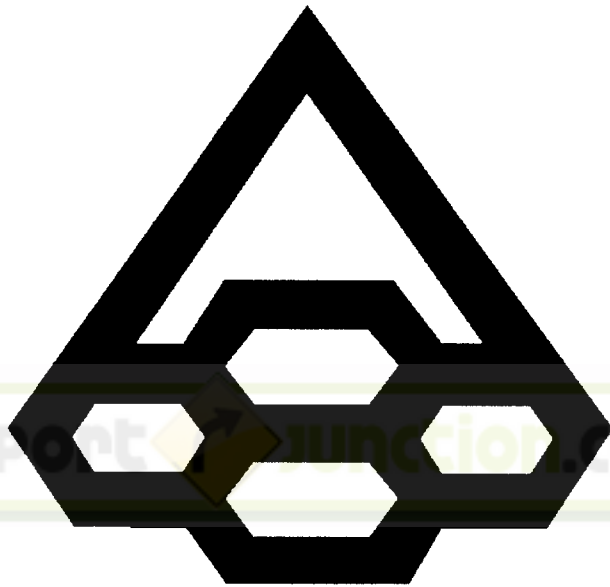


ANNUAL REPORT 1998-99



ASSOCIATED PROFILES & ALUMINIUM LIMITED



ASSOCIATED PROFILES & ALUMINIUM LIMITED

ANNUAL REPORT 1998-99

BOARD OF DIRECTORS

Shri Lalit Kumar Daga *Chairman*
 Shri Shailesh Daga *Managing Director*
 Shri Sudhir Goel
 Shri Anandilal Roongta, IAS (Rtd.)

EXECUTIVES

Grill & Fabrication Division:

Shri P. D. Bohra *(General Manager-Commercial)*
 Shri K. Sreehari *(General Manager-Technical)*
 Shri R. Ravi *(General Manager-Marketing)*

Wire Rod Division:

Shri K. Agarwal *(Advisor)*
 Shri A. S. Agarwal *(General Manager-Marketing)*
 Shri Harish Singh *(Manager-Works)*

BANKERS

State Bank of India

LEGAL ADVISOR

Shri J.S.Baliya, Advocate, Mumbai.

AUDITORS

A.J.Baliya & Associates
 Chartered Accountants, Mumbai.

REGISTERED OFFICE

B-1, Tulsi Vihar, Dr. Annie Besant Road
 Worli Naka, Mumbai-400 018.

PLANTS

Grill & Fabrication:

Plot No. 2, Kachigam Road
 Ringanwada, Daman-396 210 (Union Territory).

Wire Rod:

Village Khutali, Silvassa-396 230
 Dadra & Nagar Haveli (Union Territory).

REGISTRARS & SHARE TRANSFER AGENTS

Online Management Services Ltd.
 2, Bandra Hill View Co-op. Soc. Ltd.
 3rd Floor, 85, Hill Road, Bandra (W), Mumbai-400 050.

**NOTICE**

NOTICE is hereby given that the 12th Annual General Meeting of the members of Associated Profiles & Aluminium Limited will be held at "Karnataka Sangha", Dr. M. Visvesvaraya Smarak Mandir, Off. T. H. Kataria Marg, Mogul Lane, Near Matunga Road Railway Station (West), Mahim, Mumbai-400 016 on Saturday, 28th August 1999 at 11.00 a.m. to transact the following business:

1. To receive and adopt the Director's Report and the Audited statement of Accounts together with Auditors' Report thereon for the financial year ended 31st March 1999.
2. To declare a Dividend on equity shares for the financial year 1998-99.
3. To appoint a Director in place of Shri Sudhir Goel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 20th August 1999 to Saturday 28th August 1999, both days inclusive.
3. The dividend, if declared at the forth coming Annual General Meeting, will be payable to those share holders whose name are registered in the Register of Members of the Company as on 28th August, 1999.

For and on behalf of the Board

(Lalit Kumar Daga)
Chairman

REGISTERED OFFICE:

B-1, Tulsi Vihar, Dr. Annie Besant Road,
Worli Naka, Mumbai-400 018.

Date : 29th May, 1999



ASSOCIATED PROFILES & ALUMINIUM LIMITED

DIRECTORS' REPORT

To the Members,
The Directors hereby present their 12th Annual Report together with audited statement of accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS:	1998-99 (Rs. in Lacs)	1997-98 (Rs. in Lacs)
Profit available for appropriation	<u>384.81</u>	<u>232.51</u>
Appropriation		
General Reserve	10.00	1.80
Proposed Dividend	40.00	35.00
Balance carried forward	<u>384.81</u>	<u>195.71</u>
	<u>384.81</u>	<u>232.51</u>

DIVIDEND

The Directors have recommended payment of dividend @ 8% i.e. Rs. 0.80 per Equity Share on 50,00,200 Equity Shares of Rs. 10/- each (Previous year @ 7%).

OPERATIONS:

During the year under review the Company's turnover increased to Rs. 8172.01 lacs as compared to Rs. 6088.75 lacs in the previous year. As the result of this, the net profit also increased to Rs. 192.61 lacs as compared to Rs. 165.17 lacs in the previous year.

This is the 9th consecutive year your Company has earned profit.

Wire Rod Division

The Company's unit at Silvassa, HIND ALUMINIUM, manufacturing EC Grade Wire Rods and All Aluminium Alloy Rods (AAAR) achieved a production level of 9589.79 MT as compared to 6930.38 MT in the previous year.

The Company's products are well accepted in the Indian market and your Company is supplying to leading cable and conductor manufacturers in India. The increased sale has only been possible due to high quality products being made by your Company.

Grill & Fabrication Division

In this division the Company achieved a production of 143.97 MT as compared to 247.57 MT in the previous year. This reduction has been mainly on account of depressing economic condition prevailing in various sectors of the economy. The building industry has been one of the worst affected. As these products are mainly used by the building industry, there has been a fall as compared to the previous financial year. However, your Company is confident of recovering and increasing sales in the current financial year.

You will also be happy to note that your Company has been awarded ISO-9002 certification for the grill and fabrication division. Your Company is the first Aluminium Grills manufacturing Company in India, who has been awarded this certification.

PROJECTION v/s. PERFORMANCE

As required by clause 43 of the Listing Agreements, we give below details of Actual results for the year 1998-99 as compared to those projected in the prospectus dated 13th May, 1996.

Particulars	Projections	(Rs. in Lacs) Actuals
Turnover	5609.58	8172.01
Profit after Tax	213.50	192.61

Y2K PREPAREDNESS

The management has been working systematic manner to address millennium issue. All computer hardware, software and other equipments have been tested for the year 2000 (Y2K) compliance and non compliant hardware / software and other equipments replaced. We are happy to state that your Company achieved year 2000 (Y2K) compliance for all its internal operations. The amount spent for the same is negligible.

LISTING

The Equity Shares of the Company are listed on Mumbai, Ahmedabad and Jaipur Stock Exchanges.

DIRECTORS

Shri Sudhir Goel, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

AUDITORS

M/s. A.J. Baliya & Associates, Chartered Accountants, Auditors of the Company, hold the office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment.

PARTICULARS OF EMPLOYEES

During the year under review, Company has not employed any person who was in receipt of remuneration exceeding the sum prescribed under the Section 217 (2A) of the Companies Act, 1956 read with The Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Information pursuant to 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 annexed.

ACKNOWLEDGEMENT

The Directors would like to express their sincere appreciation of assistance and Co-operation received from their Bankers during the year under review. Directors also appreciate the devoted services rendered by all the employees of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 29th May, 1999

(Lalit Kumar Daga)
Chairman



ANNEXURE TO DIRECTORS' REPORT

I. CONSERVATION OF ENERGY

There are no major areas where energy conservation measures were viable. However, all possible efforts were made to conserve energy through improved operational methods.

II. RESEARCH AND DEVELOPMENT

a. Specific areas in which R & D was carried out by the Company.

The Company is actively engaged in product upgradation, design development and new product development.

b. Benefits derived as a result of the above R & D

Improved product designs resulted in higher value added products which achieved better realizations.

c. Future plan of action

Emphasis on the above activities will be an on going exercise.

d. Expenditure on R & D

Since the expenditure incurred on research and development activities were not substantial, no separate account for the same was being maintained.

III. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Since the Company's products are being developed by an in-house R & D team, no further information under this head is required to be given.

IV. FOREIGN EXCHANGE EARNING AND OUTGO

a. Activities relating to exports

During the year under review the Company has exported

materials worth Rs. 15,54,584/- as compared to Rs. 9,34,119/- in the previous year. We are hopeful that in the current financial year we will be able to exceed this figure.

b. Initiatives taken to increase exports

Your company has been in constant touch with various customers around the world. Due to depressed economic conditions in South East Asia, there has not been any export to countries other than Sri Lanka. We do hope that our regular follow-up will result in order from other countries also.

c. Development of new export markets for Wire Rod products

Your Company is constantly exploring the possibilities of exporting its products to new markets. This is an on going process.

d. Export plans

Export sales can only be increased by developing relationship with prospective buyers. In this connection your Company's officials plan to visit prospective countries to explore possibilities of expanding export sales.

e. Total Foreign Exchange Used and Earned

The information on the above is given in Notes on Accounts (Schedule - Q to the Accounts)

For and on behalf of the Board

Place : Mumbai

Date : 29th May 1999

(Lalit Kumar Daga)

Chairman

AUDITORS' REPORT

REPORT OF THE AUDITORS TO THE MEMBERS OF ASSOCIATED PROFILES & ALUMINIUM LIMITED

We have audited the attached Balance Sheet of Associated Profiles & Aluminium Limited as at 31st March, 1999 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto, and report that:

1. We have obtained all the information and explanations to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
4. In our opinion, the Balance Sheet and Profit & Loss Account complies with the mandatory Accounting standards referred to in section 211(3c) of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act,

1956, in the manner so required and give a true and fair view:

- a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 1999

and

- b) in the case of the Profit & Loss Account, of the profit for the year ended on that date.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we give a statement on the matters specified in paragraphs 4 and 5 of the said Order:

- i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification.
- ii) The fixed assets have not been revalued during the year.