

ANNUAL REPORT 2000-2001



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For ASSOCIATED PROFILES & ALUMINIUM LTD.

✓ Managing Director.

ASSOCIATED PROFILES & ALUMINIUM LIMITED

**ANNUAL REPORT 2000 - 2001****BOARD OF DIRECTORS**

Shri Lalit Kumar Daga	Chairman
Shri Shailesh Daga	Managing Director
Shri Sudhir Goel	
Shri Navin Shah	Additional Director

EXECUTIVES**Grill & Fabrication Division:**

Shri P.D. Bohra	(General Manager-Commercial)
Shri K.Sreehari	(General Manager-Technical)

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, Cachigam Road, Ringanwada,
Daman - 396 210 (Union Territory).

Wire Rod:

Survey No.1/2, Village Khutali, Khanvel-Doodhani Road,
Near Khanvel, Dist.; Silvassa - 396230
Dadra & Nagar Haveli (Union Territory).

REGISTRARS & SHARE TRANSFER AGENTS

Intime Spectrum Registry Pvt.Ltd.
260, Shanti Industrial Estate, Sarojini Naidu Road,
Mulund (West), Mumbai-400 080.

**NOTICE**

NOTICE is hereby given that the 14th Annual General Meeting of the Members of Associated Profiles & Aluminium Limited will be held at "Karnataka Sangha" Dr. M. Visvesvaraya Samarak Mandir, Off. T.H. Kataria Marg, Mogul Lane, Near Matunga Road Station (West), Mahim, Mumbai-400 016 on Friday, 24th August, 2001 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2001 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2001
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.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification, the following Resolution as Ordinary Resolutions:

RESOLVED THAT in accordance with the provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) read with Schedule XIII of the Act the Company hereby approves the re-appointment of Shri Shailesh Daga as Managing Director of the Company for the further period of 5 years with effect from 1st July, 2001 on following remuneration:

i. Salary: upto Rs. 25000/- per month

ii. Perquisites & Allowances :

- (a) In addition to the salary and commission payable, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs; medical reimbursement; club fees and leave travel concession for himself and his family; medical insurance or and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors.



- (b) Provision for use of the Company's car for official duties and telephone including cellular phone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites.
- (c) Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of leave at the end of the tenure, shall not be included in the computation of the ceiling on remuneration specified paragraph 1 Section II of Part II of Schedule XIII of the Act.

iii. Minimum Remuneration:

In event of loss or inadequacy of profits in any year, the Managing Director shall be entitled to payment by way of salary (i) and perquisites and allowances (ii) as specified above.

- 6. RESOLVED THAT Shri Navin Shah who was appointed an Additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing proposing his candidature for the office of directors, be and is hereby appointed a Director of the Company liable to retirement by rotation.

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. Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 16th August, 2001 to Friday, 24th August, 2001 (both days inclusive).
- 3. Dividend as recommended by the Board, if sanctioned at the forthcoming Annual General Meeting, will be paid on or after 29th August, 2001 to those Shareholders whose names appeared in the Register of Members of the Company as on 24th August, 2001. In case of shares held in dematerialised form the dividend thereon, upon its declaration shall be paid to their beneficial owners as per details furnished by the Depositories for this purpose.

EXPLANATORY STATEMENT :

As required by Section 173 of the Companies Act, 1956 the following explanatory statement set out all materials facts relating to item No.5 & 6 of the notice

Item 5.

At the meeting of the Board of Directors held on 30.06.2001 Shri Shailesh Daga was re-appointed as Managing Director of the Company for the further period of 5 years w.e.f. 01.07.2001.



Shri Shailesh Daga, aged 33 years , is a Commerce Graduate and Master in Business Administration from Bond University, Australia. Under his executive leadership the Company has made rapid progress and therefore Board wishes to re-appoint him as Managing Director of the Company.

The Resolution & Explanatory Statement be treated as an abstract under section 302 of the Companies Act, 1956. No Director of the Company except Shri Shailesh Daga and Shri Lalit Kumar Daga who is related to Shri Shailesh Daga, is concerned or interested in the Resolution.

Item No.6

Shri Navin Shah was appointed an Additional Director of the Company on 4th June, 2001 by the Board of Directors of the Company. According to the provisions of section 260 of the Companies Act, 1956, he will hold office as Director only up to the date of the ensuing Annual General Meeting. As required by section 257 of the Act, a notice has been received from a member signifying his intention to propose appointment of Shri Navin Shah as a Director alongwith a deposit of Rs.500/- . The Board considers it desirable that the Company should continue to avail itself of his service.

None of the Directors of the Company other than Shri Navin Shah is concerned or interested in this Resolution.

For and on behalf of the Board

Registered Office :

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

Dated : 30th June, 2001

Lalit Kumar Daga

Chairman

**DIRECTORS' REPORT**

To the Members,

The Directors hereby present their 14th Annual Report together with audited statement of accounts for the year ended 31st March 2001.

FINANCIAL RESULTS:

	2000-2001 (Rs.in lacs)	1999-2000 (Rs.in lacs)
Profit available for appropriation	687.07	535.44
Appropriation		
General Reserve	10.00	10.00
Interim & Final Dividend	---	40.00
Proposed Dividend	45.00	---
Tax on Dividend	4.59	4.40
Balance carried forward	627.48	481.04
	687.07	535.44

DIVIDEND

The Directors have recommended payment of dividend @ 9% i.e. Re.0.90 per Equity Share on 50,00,200 Equity Shares of Rs. 10/- each (Previous year @ 8% i.e. Re.0.80 per equity share). The dividend if approved will be tax free in the hands of investors.

OPERATIONS

During the year the Company's turnover was Rs.2913.50 lacs as compared to Rs.5252.15 lacs in the previous year. The reason for this reduction has been the fact that the Company had undertaken conversion work for its various clients. While this has resulted in a lower turnover, conversion is a risk free business which also reduces the possibilities of bad debts. The total volume handled by the Company increased even though there was a reduction in the turnover. This also led to an increase in the net profit to Rs.207.19 lacs as compared to Rs.203.44 lacs in the previous year. This is the 11th consecutive year your Company has earned profit.

Wire Rod Division

The Company's division namely, Hind Aluminium, which is situated at Silvassa has achieved a record production of 14234.20 tonnes as compared to 13355.10 tonnes in the previous year. With every year the Wire Rod division has increased its production over the previous year. We hope that this trend will continue in the future too. We are glad to inform you that to ensure that this trend continues, the Company has expanded its capacity by an additional 10,000 MT p.a. This has been financed through internal accruals of the Company. The increased volume is an indication of acceptance of the Company's product in the market and the Company is hopeful that it will be able to sell additional quantities that it will manufacture in the current financial year.

Grill & Fabrication Division

In this division the Company's turnover increased to Rs. 419.72 lacs from Rs. 373.40 lacs as compared to the previous year. Even though the building industry is not going through a best of times, because of Company's extensive marketing network it was able to increase its sales. The Company is hopeful to further improving this figure in the current financial year.

ISO 9002

Last year both the division of the Company achieved ISO 9002 certification. Your Company is committed to quality.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibilities Statement, it is hereby confirmed as the under:

- that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the directors have selected such accounting policies and applied them consistently and made judgment 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 that year under review;
- that the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the directors have prepared the annual accounts on going concern basis.

AUDIT COMMITTEE

The Board of Directors of the Company has constituted an Audit Committee comprised of three Independent/Non-Executive Directors viz Shri Sudhir Goel, Chairman, Shri Lalit Kumar Daga and Shri Navin Shah to meet the requirement of Section 292 A of the Companies Act, 1956.

LISTING

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

DIRECTORS

Shri Sudhir Goel, Director of the Company retires by rotation and being eligible offers himself for reappointment. Shri Navin Shah is appointed as an Additional Director of the Company w.e.f.04.06.2001 and he holds office upto the date of ensuing Annual General Meeting of the Company.



DEMATERIALISATION OF SHARES

With a view to providing better investor service, the Company has admitted its Equity Shares in the Depository System of "Central Depository Services (India) Ltd." (CDS) & "National Securities Depository Ltd." (NSDL). The ISIN number allotted to the Company is "INE227B01019". We appeal to the investors to avail of this facility.

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 reappointment.

PARTICULARS OF EMPLOYEES

During the year under review, the 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 EARNING 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 is annexed to this report.

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 wish to place on record their deep sense of appreciation of the devoted services rendered by all the employees of the Company.

For and on behalf of the Board

Place : Mumbai.
Date : 30th June, 2001.

Lalit Kumar Daga
Chairman

ANNEXURE TO DIRECTORS' REPORT

I. CONSERVATION OF ENERGY

There are no major areas where energy conservation measures were viable. However, wherever possible, efforts were made to conserve use 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 up gradation, 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 realisation.

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 Company's products are being developed by 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 the Company could not export any material as compared to Rs.24,49,991/- in the previous year. This has happened due to the slowdown in the Sri Lankan market which was the Company's main export market. The

Company has had discussion with its dealers in Sri Lanka and we are hopeful, we will be able to export in current financial year.

b. Initiatives taken to increase exports

Your company has been in constant touch with various customers around the world. We hope that our regular follow-up will result in higher export orders.

c. Development of new export markets

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

i. Foreign exchange used - The information is given in Notes on Account (Schedule-Q to the Accounts).

ii. Foreign exchange earned - No foreign exchange earned during the year.

For and on behalf of the Board

Place : Mumbai
Date : 30th June, 2001.

Lalit Kumar Daga
Chairman