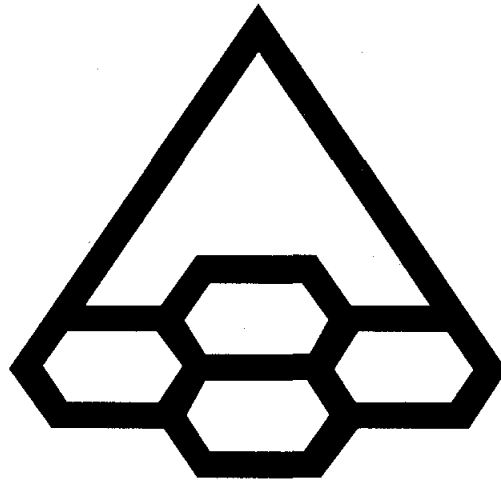


# **ANNUAL REPORT 2001-2002**



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**ASSOCIATED PROFILES & ALUMINIUM LIMITED**





ASSOCIATED PROFILES & ALUMINIUM LIMITED

## ANNUAL REPORT 2001 - 2002

### BOARD OF DIRECTORS

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

### 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 Ltd.  
 260, Shanti Industrial Estate, Sarojini Naidu Road,  
 Mulund (West), Mumbai-400 080.



## NOTICE

NOTICE is hereby given that the 15<sup>th</sup> 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 Tuesday, 27<sup>th</sup> August, 2002 at 11.00 a.m. to transact the following business:

## ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet and the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2002, and the Reports of the Directors and Auditors thereon.
2. To sanction the declaration and payment of Dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2002.
3. To appoint a Director in place of Shri Lalit Kumar Daga who retires from office by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration.

**NOTICE** is also hereby given that Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain closed from Tuesday, 20<sup>th</sup> August, 2002 to Tuesday, 27<sup>th</sup> August, 2002 (both days inclusive).

For and on behalf of the Board

**Lalit Kumar Daga**  
Chairman

Place : Mumbai.

Date : 29<sup>th</sup> June, 2002.

## NOTES FOR MEMBERS' ATTENTION

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Dividend on Equity Shares of the Company as recommended by the Board of Directors of the Company when sanctioned at the Annual General Meeting of the Company will be made payable on or after Saturday, the 31<sup>st</sup> August, 2002, to the Company's Equity Shareholders, who are entitled for the Dividend as on Tuesday, the 27<sup>th</sup> August, 2002 whose names stand registered on the Company's Register of Members :

- a) as Beneficial Owners as at the end of business on 19<sup>th</sup> August, 2002 as per the list furnished by National Services Depository Ltd. and Central Depository Services (India) Ltd. in respect of the shares held in electronic form; and



## ASSOCIATED PROFILES &amp; ALUMINIUM LIMITED

- b) as Members in the Register of Members of the Company after giving effect to valid transfers in physical form lodged with the Company on or before 19<sup>th</sup> August, 2002.
3. The Company has listed its Shares at The Stock Exchange, Mumbai, The Stock Exchange, Ahmedabad and Jaipur Stock Exchange Ltd. The listing fees of these exchanges have already been paid.
4. a) Members are requested to notify immediately any change of address to Depository Participants in respect of electronic share accounts; and to the Company's Registrar & Transfer Agents (RTA) at their address mentioned in this Annual Report.  
b) In case the mailing address mentioned in the Annual Report is without the Pin Code, members are requested to kindly inform the Pin Code, immediately.
5. Non-resident Indian shareholders are requested to inform us immediately the change in residential status on return to India for permanent settlement; the particulars of NRE Account with a Bank in India.
6. Members desirous of making nomination as permitted under Section 109A of the Companies Act, 1956 in respect of the shares held by them in the Company, can make the nomination in Form 2B attached to this Annual Report.
7. Members holding more than one account in the same name, are requested to send the details of their folios along with the share certificates to consolidate shareholding into one folio.
8. a) Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the RTA of Company under the signature of the Sole/First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the dividend Warrants.  
b) Members holding shares in dematerialised form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
9. As per the recommendation of the SEBI Committee on Corporate Governance, the same shall be applicable to your Company from the financial year 2002-2003.
10. Depository System:  
Members are informed that w.e.f. 24<sup>th</sup> July, 2000 the shares of the Company are traded in compulsory dematerialised form.
11. Income tax will be deducted at sources from dividend payable to shareholders except in case of shareholders who are resident individuals and whose dividend amount payable during a financial year does not exceed Rs. 1,000/-. Therefore, other resident individual shareholders, who intend to seek exemption from deduction of Income-tax at sources, are requested to submit a declaration in Form 15G (attached to this Annual Report) in DUPLICATE duly completed in all respects or Tax Exemption Certificate issued by Income-tax Officer, to RTA of Company viz Intime Spectrum Registry Ltd., 260, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (West), Mumbai 400 080 on or before 20<sup>th</sup> August, 2002.



12. Members (except resident individuals as above) are requested to intimate their Permanent Account Number (PAN) allotted by Income-tax authorities, to enable, quoting the same on Tax Deduction Certificate for tax deducted on dividend. Those members who have not been allotted PAN should furnish General Index Register (GIR) Number along with a declaration the PAN has not been allocated.

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

Dated : 29<sup>th</sup> June, 2002

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## ASSOCIATED PROFILES &amp; ALUMINIUM LIMITED

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Dear Shareholders,

Your Directors have pleasure in presenting the 15<sup>th</sup> Annual Report together with audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2002.

**FINANCIAL RESULTS:**

	2001-2002 (Rs.in lacs)	2000-2001 (Rs.in lacs)
Profit available for appropriation	<u>791.54</u>	<u>687.07</u>
<b>Appropriations</b>		
General Reserve	10.00	10.00
Proposed Dividend	50.00	45.00
Tax on Dividend	--	4.59
Balance carried forward	<u>731.54</u>	<u>627.48</u>
	<u>791.54</u>	<u>687.07</u>

**OPERATIONAL PERFORMANCE**

During the year your Company has shown improved performance and sales have increased to Rs.6,853.45 lacs as compared to Rs.2,913.50 lacs in the previous year. With the expansion of Wire Rod capacity, the profit before tax has gone up to Rs.216.86 lacs from Rs.215.78 lacs. However the profit after tax (net profit) has reduced from 207.18 lacs to Rs.164.06 lacs due to higher provision for taxation.

**Wire Rod Division**

The Company's unit namely Hind Aluminium, which is situated at Silvassa has achieved a record production of 20,610.70 tonnes as compared to 14,234.20 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 this division has achieved 45% more production than the previous year and this has only been possible due to best efforts of all the people concerned in the origination.

**Grill & Fabrication Division**

In this division the Company achieved a production of 163.45 tonnes as compared to 176.54 tonnes in the previous year. This division suffered on account of sluggish demand, falling prices and stiff competition from other players. However, the Company is expected to perform better in the current financial year.

**DIVIDEND**

Your Directors are pleased to recommend a Dividend of Re.1/- per Share i.e. @ 10% (previous year @ 9%), which after your approval at the ensuing Annual General Meeting, will be paid in line with the applicable regulations.

The amount of dividend outgo on 50,00,200 Equity Shares of Rs.10/- each @ Re.1/- per Share is Rs.50.00 lacs as against Rs.45.00 lacs in the previous year.

**ISO 9002**

Being ISO 9002 certified Company, the Company is committed to maintain & improve quality.

**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.

**DIRECTORS**

In accordance with Article 127 of the Articles of Association of the Company, Shri Lalit Kumar Daga, retire from office by rotation, and being eligible, offer himself for reappointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors wish to inform Shareholders/Members that the Audited Accounts containing the Financial Statements for the Financial Year 2001-2002 are in full conformity with the requirements of the Companies Act, 1956. They believe that the Financial Statements reflect fairly, the form and substance of transaction carried out during the year and reasonably present the Company's financial condition and results of operations. These Statement are audited by the Statutory Auditors of the Company.

Your Directors further confirm 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 had 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 that year period;
- that the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors have prepared the Annual Accounts on a 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.

#### AUDITORS

M/s. A.J. Baliya & Associates, Chartered Accountants and Auditors of the Company, retire, and being eligible, offer themselves for re-appointment.

#### 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 : 29th June, 2002.

**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.

##### 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 procuring 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 export sales.

##### e. Total Foreign exchange used and earned

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

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

For and on behalf of the Board

Place : Mumbai  
Date : 29th June, 2002.

**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, 2002 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We 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 and Loss Account dealt with by this report are in agreement with the books of account;
4. Save observations made by us in para 6 (a) in our report, in our opinion, the Balance Sheet and Profit and Loss Account complies with the Accounting Standards referred in section 211(3C) of the Companies Act, 1956;
5. In our opinion and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2002 from being appointed as directors in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956 and
6. (a) The Company has not complied with the Accounting Standard 22 (AS 22) in respect of Accounting for Taxes on Income issued by The Institute of Chartered Accountants of India and further its effect on Profit & Loss Account and Balance Sheet has not been ascertained by the Company.  
(b) Sundry Debtors considered doubtful to the extent of Rs.8,51,270/- for which no provision has been made in the accounts.

Subject to above 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, 2002  
and
- b) in the case of the Profit and 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.
- iii) As explained to us, the stocks of finished goods, consumables, stores, spare parts and raw-materials have been physically verified by the management at reasonable intervals during the year.