



**International Conveyors Limited**

**Annual Report  
2010-2011**



## What's inside ?

Vision, Mission & Values	03
Our Calling Card	04
Face to Face with Managing Director	08
Spirit which drive us ahead	10
Financial Review	12
Corporate Information	14
Notice	15
Directors' Report	22
Management Discussion and Analysis Report	25
Corporate Governance Report	28
Auditors' Report	36
Balance Sheet	40
Profit & Loss Account	41
Cash Flow Statement	42
Schedules	44
Balance Sheet Abstract	62



# Shaping the *f*uture

**TO SHAPE THE FUTURE IS TO THINK NEW AND  
CREATE NEWER PATHS.**

**TO SHAPE THE FUTURE IS TO SET NEWER GOALS.**

**TO SHAPE THE FUTURE IS TO BUILD ON THE PRESENT  
AND PREPARE FOR THE TOMORROW.**

**TO SHAPE THE FUTURE IS TO CAPITALIZE ON OPPORTUNITIES.**

**TO SHAPE THE FUTURE IS TO EXPAND REACH.**

**TO SHAPE THE FUTURE IS TO INTEGRATE KNOWLEDGE.**

**TO SHAPE THE FUTURE IS TO THINK ON FUTURES  
SUSTAINABILITY.**

**TO SHAPE THE FUTURE IS TO TAKE THE BUSINESS OF OUR  
CUSTOMERS AHEAD.**



**International Conveyors Limited having  
experience of the past.**

**Addressing the realities of the present.**

**To emerge into the markets of the future.**

At, International Conveyors  
Limited, we are shaping the future  
and making a reality through safe  
transportation of mineral  
resources from underground to  
respective pitheads and thus  
helping our customers to drive  
their business ahead.

## Vision

Through an effective system of techniques and training, constantly thriving to achieve and maintain the highest quality parameters and serve customers.

## Mission

The mission of ICL is to empower the dominance of the company not only in the Indian market but also through a robust expansion of its products in the international market.



## Values

### Excellence :

Strive relentlessly and constantly to improve offering.

### Integrity :

Conduct business fairly, with "total" honesty and transparency.

### Learning :

To question, share and improve.

### Passion :

Passionate and committed to deliver excellence in performance.

### Governance :

We are committed to best standards of safety and corporate governance practices.

### Responsibility :

To serve our stakeholders, environment and community.

# Our calling card

## Pedigree

- ▶ Headquartered in Kolkata, ICL was incorporated during the year 1973 and commercial production started during 1979 from the Aurangabad plant.
- ▶ The Company is promoted by Kolkata based entrepreneur, Shri R. K. Dabriwala.
- ▶ The shares of the Company are listed at Bombay Stock Exchange Ltd. and The Calcutta Stock Exchange Ltd.

## Product portfolio

- ▶ PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belt with an annual production capacity of 7,00,800 meters at Aurangabad in Maharashtra.
- ▶ 3.85 MW Wind Turbine Generator :
  - a) 0.6 MW Capacity at Chitradurga in Karnataka.
  - b) 0.8 MW Capacity at Ahmednagar in Maharashtra.
  - c) 1.65 MW Capacity at Kutch in Gujarat.
  - d) 0.8 MW Capacity at Tumkur in Karnataka.

## Quality Accreditations

### General Category:

- ▶ India - Directorate General of Supplies and Disposals Registration.
- ▶ Global - Dun & Bradstreet assigned D&B D-U-N-S Number: 86-225-1696.
- ▶ Global - ISO 9001:2008 Certification.

### Country specific Mine Safety Approval (Fire Retardant Antistatic - FRAS) for product usage:

- ▶ India - Directorate General of Mines Safety (DGMS) approval conforming to IS 3181:1992 (Second Revision).
- ▶ USA - Mine Safety and Health Administration approval conforming to US-MSHA Part-14, Title 30 of Code of Federal Regulations (CFR).
- ▶ USA - Mine Safety and Health Administration approval conforming to US-MSHA Part-18, Title 30 of Code of Federal Regulations (CFR).
- ▶ Canada - Canada Centre for Mineral and Energy Technology (CANMET) conforming to CAN/CSA-M422-M87 (Reaffirmed 2005), Category A-1.
- ▶ Australia - TestSafe Australia conforming to AS 4606:2000 Grade 'S'.
- ▶ South Africa - South African Bureau of Standards conforming to SANS 971:2003.



## Patrons

- ▶ Domestically, the Company enjoys a market share of about 40% from customers like Bharat Coking Coal Limited (Dhanbad, Jharkhand), Central Coalfields Limited (Ranchi, Jharkhand), Eastern Coalfields Limited (Sanctoria, Asansol, West Bengal), Jayaswal Neco Industries Limited (Raipur, Chhattisgarh), Mahanadi Coalfields Limited (Sambalpur, Orissa), Monnet Ispat and Energy Limited (New Delhi), The Singareni Collieries Company Limited (Kothagudam, Andhra Pradesh), South Eastern Coalfields Limited (Bilaspur, Chhattisgarh), Sunflag Iron and Steel Company Limited (Nagpur, Maharashtra), Western Coalfields Limited (Nagpur, Maharashtra).
- ▶ Public Sector Companies account for 90% product demand in India. The balance demand is from private sector companies operating in India.
- ▶ Our international clients includes CC Components Pty Limited (Australia), Continental Mine & Industrial Supply Limited (Canada) and ICL America Limited (USA).

## Value enhancement

Achieved a total Turnover of ₹ 7,991.31 Lacs.

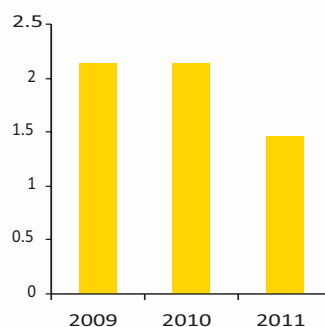
Achieved a total Post-Tax Profit of ₹ 274.85 Lacs.

Achieved an EPS of ₹ 0.41 per share.

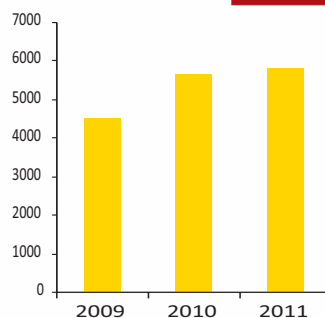
Achieved an Export Income of ₹ 5,565.75 Lacs.

Produced a total 4,33,048 Meters of PVC Fire Resistant Antistatic Solid Woven Conveyor Belt.

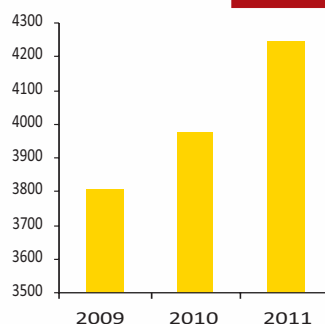
### Debt Equity Ratio



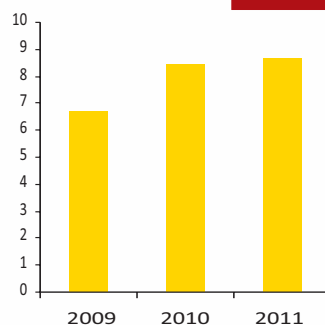
### Networth



### Gross Block



### Book Value



# International Conveyors

**Compelling Strengths.  
Competitive industry position.**

## Scale

The largest Indian listed Company engaged in the manufacture of Solid Woven Fire – Retardant Antistatic PVC Conveyor Belting for underground mining.

## Product Portfolio

From Type 3 to Type 6, the most suitable grades catering to the requirements of the Indian markets and from Type 3 to Type 12, most popular ones for the overseas market.

## Rich experience

No terrain has been challenging for the products of ICL. It possesses a rich experience of more than three decades into the manufacture of conveyor belting. Our products are well accepted all over.

## Customers

ICL customers include public sector coal mining companies, private sector giants alongwith renowned multinationals.

The Company has maintained a steady business relationship with some of its customers for more than 30 years.

## Intellectual Asset

ICL's strength lies in its intellectual manpower, which helps the company in moving ahead with their rich experience in the underground mining industry. The Company represents a prudent balance between technical personnel with hands-on experience of conveyor belting on one hand and a competent workforce on the other hand.

## Caring

Besides being a business focused organisation, we also care for our employees and stakeholders. The result is clearly seen through NIL attrition during the year 2010-11.



## Relationship driven

The Company enjoys long-term relationships with major suppliers of input materials in India and abroad.

**At International Conveyors, a more durable product means slower replenishment but a wider market and stronger customer loyalty.**

## Quality

ICL brand is synonymous with quality. The Company always try to improve upon international quality standards and practices. Thus, the products of the Company have consistently been accepted across the markets.

The result is seen through consistent product quality and a market leadership of about 40% share of the domestic market.

**We are getting about 70% of our revenues from the export market**

# Face to Face

Managing Director  
**Mr. R. K. Dabriwala**  
explains the Company's  
performance in 2010-11  
with a hint of optimism on  
how things will shape up  
in 2011-12 and after.

The first thing that the shareholders would like to know the reasons for the decline in the performance during 2010-11?

2010-11 was a study which would always be a guiding force for our future course of actions. While we remained committed to enhance our operational efficiencies and improving our financial performances through a more deep penetration into domestic and global markets, we clearly had our share of challenges during the financial year under review.

Our total revenue declined from ₹ 8788.63 Lacs in 2009-10 to ₹ 7805.96 Lacs in 2010-11. Consequently, our Cash Profits also saw a steep decrease from ₹ 1744.75 Lacs in 2009-10 to ₹ 664.51 Lacs in 2010-11.

The input prices of raw materials which are derivatives of petroleum products increased unprecedently due to increase in crude prices. The product prices in the market place came down due to severe competition from increase in capacity all over. This resulted in our revenue declining per metre and our expenditure of raw materials increasing per metre.

What are the positives to have emerged out of the Company's performance in 2010-11?

We have undertaken a mission to reduce cost on all fronts. We are conducting audits on every aspect of our business verticals and we are trying to minimize costs, wherever possible. We expect to become lean and fit with the completion of these exercises.