

28th  
ANNUAL  
REPORT  
2018-2019



**ALFA ICA (INDIA) LIMITED**

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Shyam Sunder Tibrewal	Chairman & Independent Director
Inder Chand Nahta	Independent Director
Rishi Tikmani	Whole-time Director
Pooja Tikmani	Woman Director / Executive Director
Sanjeev Sharma	Independent Director

**CHIEF FINANCIAL OFFICER**

Hansraj Sekhani

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Sejal Kanabi (Resigned w.e.f. 08<sup>th</sup> May, 2019)  
Himadri Trivedi (Appointed w.e.f. 09<sup>th</sup> May, 2019)

**STATUTORY AUDITORS****Doogar & Associates**

Chartered Accountants  
13, Community Centre,  
New Delhi - 110 065

**SECRETARIAL AUDITOR****Kamlesh M. Shah & Co.**

Practising Company Secretary  
801-A, Mahalay Complex,  
Navrangpura, Ahmedabad - 380 009

**BANKERS OF THE COMPANY**

State Bank of India  
LaghuUdhyog Branch, Ahmedabad

**REGISTERED OFFICE**

1-4, Uma Industrial Estate,  
Village Vasana- Iyawa,  
Tal. Sanand, Dist. Ahmedabad -382110  
CIN : L20100GJ1991PLC016763

**ADMINISTRATIVE OFFICE**

Alfa-Palazzo, Near Shivranjani Cross Road,  
Satellite Road, Jodhpur,  
Ahmedabad – 380 015

**PLANT**

204-205, Uma Industrial Estate,  
Village Vasana - Iyawa,  
Tal. Sanand, Dist. Ahmedabad - 382110

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Private Limited  
506-508, Amarnath Business Center (ABC-I),  
Beside Gala Business Center,  
Near St. Xavier's College Corner, Off C. G. Road,  
Navrangpura, Ahmedabad – 380 009

**AUDIT COMMITTEE**

Shyam Sunder Tibrewal : Chairman  
Inder Chand Nahta  
Rishi Tikmani

**SHAREHOLDERS RELATIONSHIP COMMITTEE**

Shyam Sunder Tibrewal : Chairman  
Inder Chand Nahta  
Rishi Tikmani

**NOMINATION AND REMUNERATION COMMITTEE**

Inder Chand Nahta : Chairman  
Shyam Sunder Tibrewal  
Sanjeev Sharma

<b>CONTENTS.....</b>	<b>PAGE NO.</b>
Notice .....	01
Directors' Report .....	08
Management Discussion & Analysis.....	23
Auditors' Report .....	25
Balance Sheet .....	30
Statement of Profit & Loss.....	31
Cash Flow Statement.....	32
Statement of Changes in Equity .....	33
Notes on Financial Statements.....	34

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 28<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF ALFA ICA (INDIA) LIMITED WILL BE HELD ON FRIDAY, SEPTEMBER 06, 2019 AT 04:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 1-4, UMA INDUSTRIAL ESTATE, VASNA-IYAWA, TALUKA: SANAND, DISTRICT: AHMEDABAD-382 110 TO TRANSACT THE FOLLOWING BUSINESSES:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the Company including the Audited Balance Sheet as on March 31, 2019, the Statement of Profit and Loss and the Cash flow statement for the year end on that date and the Reports of the Board of Directors and the Auditors of the Company.
2. To declare final dividend on the Equity Shares for the Financial Year ended on March 31, 2019.
3. To reappoint a director, Mr. Rishi Tikmani (DIN:00638644), who retires by rotation being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

4. To approve the re-appointment of Mr. Shyam Sunder Tibrewal (DIN: 00500621), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shyam Sunder Tibrewal (DIN: 00500621) Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years with effect from September 06, 2019 to September 05, 2024 and whose office shall not be liable to retire by rotation”

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

5. To approve the re-appointment of Mr. Inder Chand Nahta (DIN: 03565091), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of

the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Inder Chand Nahta (DIN: 03565091) Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years with effect from September 06, 2019 to September 05, 2024 and whose office shall not be liable to retire by rotation”

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

6. To approve the re-appointment of Mr. Sanjeev Kumar Sharma (DIN: 00835187), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sanjeev Kumar Sharma (DIN: 00835187) Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years with effect from September 06, 2019 to September 05, 2024 and whose office shall not be liable to retire by rotation”

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

By Order of the Board of Directors

**Shyam Sunder Tibrewal**

Chairman

(DIN: 00500621)

Place: Ahmedabad

Date : 6<sup>th</sup> August, 2019

**NOTES:**

1. The information required to be provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings, regarding the Directors who are proposed to be appointed/ re-appointed and the relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) 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.**  
Pursuant to Section 105 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, a person shall not act as proxy for more than fifty (50) members and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. A blank proxy form is being sent herewith. The instrument of appointing proxy, duly stamped completed and signed, should be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, August 30, 2019 to Friday, September 06, 2019 (both days inclusive) for the purpose of AGM / Annual closing.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting.
6. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company duly certified copy of the relevant Board Resolution authorizing such representatives to attend and vote on their behalf at the Annual General Meeting.
7. Members holding shares in dematerialized form are requested to contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, etc. Members holding shares in physical form are requested to intimate such changes to Registrar and Transfer Agents of the Company.
8. SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018, amended Regulation 40 of Listing Regulations pursuant to which from 1<sup>st</sup> April, 2019, onwards securities can be transferred only in dematerialized form. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares. SEBI vide Press Release dated 27<sup>th</sup> March, 2019 has clarified that the share transfer deed(s) once lodged prior to the deadline of 31<sup>st</sup> March, 2019 and returned due to deficiency in documents submitted, may be re-lodged for transfer.
9. Details of Director seeking re-appointment in Annual General Meeting pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) are given in detail in the Annexure to this Notice.
10. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications including Annual Report, Circulars, etc. from the Company electronically.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, the Notice of 28<sup>th</sup> Annual General Meeting along with Attendance Slip and Proxy Form, part of the Annual Report 2018-19 is being sent to all members whose e-mail addresses are registered with the Company or with the Depository Participants for communication purpose unless any member has requested for a physical copy of the same.
12. Members desiring any information or clarification on Accounts are requested to send written queries to the Company, at least seven days in advance so as to enable the management to keep information ready at Annual General Meeting.
13. The Notice of the Annual General Meeting and Annual Report 2018-19 of the Company will be available on Company's website [www.alfaica.com](http://www.alfaica.com).
14. Members are requested to note that M/s Link Intime India Private Limited, 506-508, Amarnath Business Center (ABC-I), Beside Gala Business Center, Near St. Xavier's College Corner, Off C G Road, Navrangpura, Ahmedabad-380 009, is the Registrar and Transfer Agent (RTA) to look after the work related to shares held in physical and dematerialized form.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and their bank details by every participant in securities market. Member holding shares in electronic format, therefore, requested to submit the PAN and bank details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and bank details to the Company or its Share Registrars and Transfer Agents.
16. As per the Circular No. LIST/COMP/15/2018 dated July 05, 2018 of BSE all the members holding shares in Physical form are advised to convert their shareholding in dematerialized form before December 05, 2018.

17. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all the resolutions set forth in this Notice. The instructions for e-voting are given elsewhere in the Notice.
18. The facility for voting either through ballot or polling paper shall also be made available by the Company at the AGM and the members attending the meeting who have not casted their vote by remote e-voting, will be able to exercise their right at the meeting through ballot or polling paper, as case may be. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
19. A route map to the venue of the AGM is enclosed.

**Details of the Director seeking re-appointment at the 28<sup>th</sup> Annual General Meeting**  
**{In pursuance of Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements)**  
**Regulations, 2015 & Secretarial Standard on General Meetings (SS-2)}**

Name of the Director & Qualification	Experience	Disclosure of relationship with other director, Key Managerial Personnel or promoter of the company	Directorships held in other Companies	No. of Equity Shares held in the Company
<b>Mr. Rishi Tikmani</b> (DIN: 00638644) (Age: 38 years) He is Master of Business Administration in International Business & Policy from University of West Minister (U.K) and Bachelor of Business Administration from Gujarat University. He is Whole time director of the company since 2006.	Mr. Rishi Tikmani is presently working as Whole-time Director of the Company. He has more than Thirteen years experience in the field of production & marketing and has been with the company since 2006.	He is related to (Brother of) Pooja Tikmani Women Director of the Company.	Nil	He is holding 5,61,200 equity shares of the company.
<b>Mr. Shyam Sunder Tibrewal</b> (DIN: 00500621) (Age: 67 years) He is Graduated in Commerce. He has been on the board of director of the company since 2008. He is an Independent director of the company since 2014.	Mr. Shyam Sunder Tibrewal has an experienced of over Forty years in Manufacturing Experience of dyes / chemicals plastics. He was also a president of The Plastics Export Promotion Council.	Not related to anyone.	Director: <ul style="list-style-type: none"> <li>• Alfa Ica (India) Limited</li> <li>• Svar Synthetics Pvt. Ltd.</li> <li>• Mayur Wovens Pvt. Ltd.</li> <li>• The Plastics Export Promotion Council</li> </ul>	He is not holding any shares.
<b>Mr. Inder Chand Nahta</b> (DIN: 03565091) (Age:66 Years) He is Graduated in commerce and a Chartered Accountant. He has been on the board of director of the company since 2011.	Mr. Inder Chand Nahta has an experienced in over thirty five years in Accounts, Audit, Taxation, Finance.	Not related to anyone.	Director: <ul style="list-style-type: none"> <li>• Alfa Ica (India) Limited</li> </ul>	He is not holding any shares.
<b>Mr. Sanjeev Kumar Sharma</b> (DIN: 00835187) (Age:61 years) B.Sc., L.L.B, C.A., IIB, P.G.D.B.M He is an Independent Director of the company since 2014.	Mr. Sanjeev Kumar Sharma has an experienced of over twenty five years in banking and finance.	Not related to anyone.	Director: <ul style="list-style-type: none"> <li>• Alfa Ica (India) Limited</li> <li>• Quantum Banking Resource Centre Pvt. Ltd.</li> </ul>	He is holding 400 equity shares of the company.

**INSTRUCTION FOR REMOTE E-VOTING**

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as may be amended from time to time and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by Company Secretaries of India, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional.

The remote e-voting period shall commence at 09.00 a.m. on Tuesday, September 03, 2019 and will end at 05.00 p.m. on Thursday, September 05, 2019.

The cut-off date for determining the eligibility of shareholders to exercise remote e-voting rights and attendance at Annual General Meeting (AGM) is Friday August 30, 2019. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date, shall be entitled to avail the facility of E-voting or voting at the meeting through ballot paper. The voting rights of shareholders shall be in proportion to their shares of the paid

7. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN Field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.</li> </ul> <p>E.g. If your name is Jagat Kumar with folio number 100 then enter JA00000100 in the PAN Field.</p>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<ul style="list-style-type: none"> <li>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the Said demat account or folio.</li> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.</li> </ul>

8. After entering these details appropriately, click on "SUBMIT" tab.

9. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

11. Click on the EVSN against the company's name i.e. The ALFA ICA (INDIA) LIMITED, on which you choose to vote.

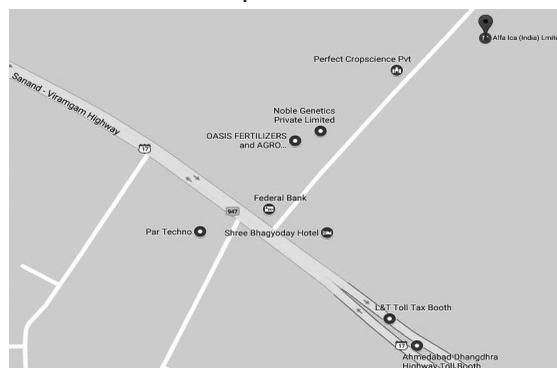
up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

**In case of members receiving e-mail:**

- Log on to the e-voting website **www.evotingindia.com** during the voting period.
- Click on "Shareholders" tab.
- Select the "COMPANY NAME" i.e. **ALFA ICA (INDIA) LIMITED** from the drop down menu and click on "SUBMIT"
- Now Enter your User ID:
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

12. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
17. If Demat account holder has forgotten the changed password the enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobile users. Please follow the instructions as prompted by the mobile app while voting on your mobile
19. Note for Non-Individual Shareholders and Custodians
- Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
20. In case of members receiving the physical copy:  
Please follow all steps from serial no. (1) To serial no. (19) Above to cast vote.
- GENERAL INSTRUCTIONS FOR VOTING:**
- (I) The voting rights of Members shall be in proportion to the shares held by the paid up equity share capital of the company as on Thursday August 29, 2019.
- (II) The facility for voting through ballot paper shall be made available at the AGM and the member attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- (III) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (IV) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- (V) The Scrutinizer, after scrutinizing the votes cast at the meeting through poll and through e-voting will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.alfaica.com](http://www.alfaica.com) and on the website of [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchanges.
- (VI) The results of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within three days of the AGM.
- (VII) Mr. Kamlesh M. Shah, Proprietor of M/s Kamlesh M. Shah & Co., (Membership No.:8356 and COP No.: 2072) has been appointed as scrutinizer to scrutinize e-voting process.

#### Route Map of the AGM Venue



**AN EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO 4:**

To approve the re-appointment of Mr. Shyam Sunder Tibrewal (DIN: 00500621), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

Mr. Shyam Sunder Tibrewal (DIN: 00500621), was appointed as an Independent Director of the Company by the members at the 23<sup>rd</sup> AGM of the Company held on September 23, 2014 for a period of five consecutive years . As per Section 149(10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shyam Sunder Tibrewal, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from September 06, 2019 to September 05, 2024.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Shyam Sunder Tibrewal fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Shyam Sunder Tibrewal as an Independent Director

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Shyam Sunder Tibrewal as an Independent Director for another term of five consecutive years with effect from September 06, 2019 to September 05, 2024 for the approval by the shareholders of the Company. Except Mr. Shyam Sunder Tibrewal, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the AGM. Mr. Shyam Sunder Tibrewal is not related to any Director of the Company.

**ITEM NO 5:**

To approve the re-appointment of Mr. Inder Chand Nahta (DIN: 03565091), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

Mr. Inder Chand Nahta (DIN: 03565091) was appointed as an Independent Director of the Company by the members at the 23<sup>rd</sup> AGM of the Company held on September 23, 2014 for a period of five consecutive years, As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Inder Chand Nahta, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from September 06, 2019 to September 05, 2024.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Inder Chand Nahta fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Inder Chand Nahta as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Inder Chand Nahta as an Independent Director for another term of five consecutive years with effect from September 06, 2019 to September 05, 2024, for the approval by the shareholders of the Company. Except Mr. Inder Chand Nahta, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the AGM. Mr. Inder Chand Nahta is not related to any Director of the Company.

**ITEM NO 6:**

To approve the re-appointment of Mr. Sanjeev Kumar Sharma (DIN: 00835187), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

Mr. Sanjeev Kumar Sharma (DIN: 00835187), was appointed as an Independent Director of the Company by the members at the 23<sup>rd</sup> AGM of the Company held on September 23, 2014 for a period of five consecutive years. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sanjeev Kumar Sharma, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from September 06, 2019 to September 05, 2024.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and

Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Sanjeev Kumar Sharma fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sanjeev Kumar Sharma as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Sanjeev Kumar Sharma as an Independent Director for another term of five consecutive years with effect from September 06, 2019 to September 05, 2024, for the approval by the shareholders of the Company. Except Mr. Sanjeev Kumar Sharma, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice of the AGM. Mr. Sanjeev Kumar Sharma is not related to any Director of the Company.

The Directors recommend the aforesaid Resolution for the approval by the Members as Special Resolution.

By Order of the Board of Directors

**Shyam Sunder Tibrewal**  
Chairman  
(DIN: 00500621)

**Place:** Ahmedabad

**Date :** 6<sup>th</sup> August, 2019

**DIRECTOR'S REPORT**

We have pleasure in presenting the 28<sup>th</sup> Annual Report of the Company along with the audited statement of accounts for the year ended March 31, 2019. The financial results for the year are shown below. The working and operational parameters of all the plants of the Company were quite satisfactory during the year.

**FINANCIAL HIGHLIGHTS**

(Amount in ₹)

Particulars	Current Year March 31, 2019	Previous Year March 31, 2018
Total Turnover and other Receipts	565,090,029	583,217,609
Gross Profit/Loss (Before deducting any of the following)	40,904,573	35,154,886
A. Interest and Financial charges	16,151,645	12,354,275
B. Depreciation	6,900,925	6,843,287
C. Tax Liability		
i. Current Tax	4,380,401	5,048,675
ii. Deferred Tax	780,900	(870,191)
iii. Tax adjustments earlier years	235,763	
Profit after tax	<b>12,454,939</b>	<b>11,778,840</b>
Other Comprehensive income	111,534	
Total Comprehensive income	12,566,473	11,778,840
A. Add: Brought forward from last year's balance	73,508,410	61,729,570
B. Less: Transferred to General Reserve	Nil	Nil
Transitional adjustment on account of depreciation	-	-
Dividend	4,870,624	NIL
Balance Carried forward	<b>81,204,259</b>	<b>73,508,410</b>

**SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2019 is ₹ 40,400,000. During the year under review, the Company has not issued any shares.

**RESULT OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

During the year under review, total revenue of the Company is ₹ 565,090,029 as against ₹ 583,217,609 in the previous year. Profit for the year 2018-19 is ₹ 12,566,473 as against ₹ 11,778,840 in the previous year.

**TRANSFER TO RESERVES**

Company has not proposed any amount to be carried to any reserves.

**EXPORT**

The total exports of the Company amounted to ₹ 430,148,173 (Previous year ₹ 454,608,223) representing about 79.42 percent of the sales.

The Company is trying to locate new export markets for its products and see good potential for growth in the export business.

**DIVIDEND**

The Directors have recommended payment of dividend of ₹ 1/- per equity share of ₹ 10 each i.e. 10% of paid up capital

for the Financial Year 2018-19. The dividend, if declared at the Annual General Meeting, will be paid before October 06, 2019 to those Shareholders whose name appears in the Register of Shareholders/Beneficial Owner as on August 29, 2019. As per the Income Tax Act, 1961, the tax on dividend will be borne by the Company.

**PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

**SUBSIDIARY COMPANIES**

Your Company does not have any subsidiary company during the year; hence consolidation of financial data of the subsidiary company is also not applicable to the Company for the financial year 2019-20.

**EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013 read with Rules framed there under and in compliance with the requirements of SEBI (LODR) Regulations, 2015, the Board has carried out the annual evaluation of its own performance, performance of the Directors individually as well as the performance of the working

of its Audit, Nomination & Remuneration and other Committees of the Board. At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed in detail. A structured questionnaire each, for evaluation of the Board, its various Committees and individual Directors, was prepared and recommended to the Board by the Nomination & Remuneration Committee, for doing the required evaluation, after taking into consideration the input received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority Shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and non Independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

#### BOARD MEETINGS

During the year, four Board Meetings were held. Four Audit committee's meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.

#### AUDIT COMMITTEE COMPOSITION

The Audit Committee comprises of Mr. Shyam Sunder Tibrewal, Independent Director as Chairman, Mr. Inder Chand Nahta, Independent Director and Mr. Rishi Tikmani, Whole-time Director as Members.

Further, as per section 177(8) of the Companies Act, 2013 there was not any case during the period under review that any recommendation is made by the Audit Committee and the Board has not accepted it.

#### BUSINESS ACTIVITY

The Company is presently engaged in the process of manufacturing High Pressure Laminate (H.P.L) Sheets & Compacts which are available in several Colours, Designs and Textures. Alfa range consists of more than 400 design decors and more than 50 textures. Company has also spreading its footprints globally, producing more than 6 Million sq. mts. Laminates. With more decors and more finishes, our innovation brings you beautiful, high quality environmental friendly decorative solutions. These High Pressure Laminates are recognized and appreciated by architects, interiors and fitters. The Laminate sheets are used for various applications in many areas such as:

- Furniture Covering
- Wall Paneling
- Partitions
- Door Covering
- Shower Panels

- Interior Wall Paneling
- Exterior Wall Cladding
- Green Chalk Board
- White Marker Board
- Kitchen Top and Backsplash
- Cubicle partition panel
- Green chalk board/white market
- Anti-Fingerprint laminate
- Table Top and many other areas.

#### MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

The annexed Management Discussion and Analysis forms a part of this report and covers, amongst other matters, the performance of the Company during the Financial Year 2018-19 as well as the future outlook.

#### DECLARATION OF INDEPENDENCE

All Independent Directors have given declarations as required under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and qualify to act as Independent Director of the Company.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Rishi Tikmani (DIN:00638644), Director will retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible offers himself for re-appointment. The Board recommends his re-appointment. An appropriate resolution for him re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 28<sup>th</sup> AGM of your Company.

The Independent Directors of your Company hold office up to March 31, 2019 and are not liable to retire by rotation. There are re- appointment of all Independent directors for second term of five consecutive years with effect from September 06,2019 to September 05, 2024 and whose office shall not be liable to retire by rotation"

During the year under review, the Board has appointed Ms. Himadri R. Trivedi as a Company Secretary and Compliance Officer of the Company w.e.f. May 09, 2019. Ms. Sejal Kanabi who was acting as a Company Secretary and Compliance Officer of the Company has resigned from Company w.e.f. May 08, 2019.

In accordance with Section 203 of the Companies Act, 2013, the Company has following Key Managerial Personnel at the end of the financial year and as on date of the Board Report.

1. Mr. Rishi Tikmani, Whole-time Director
2. Shri Hansraj Sekhani, CFO
3. Ms. Himadri Trivedi, Company Secretary

Your Company in accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

**DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules framed there under and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board of Directors formulated the Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Remuneration Policy, covering the policy on appointment and remuneration of Directors, key managerial personnel and employees.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013 your Directors confirm that:

- a) in the preparation of the financial statements for the financial year ended March 31, 2019, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report are complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) such accounting policies have been selected and applied them consistently and judgments and estimates made 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 profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis; and
- e) proper internal financial controls are in place and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliances with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**CORPORATE GOVERNANCE REPORT**

The Company is exempted from providing report on Corporate Governance in accordance with regulation 34(3) and schedule V(C) to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

**STATUTORY AUDITORS**

At the 26<sup>th</sup> Annual General Meeting of the Company held in the year 2017, the shareholders had approved the appointment of M/s Doogar & Associates (Firm Registration Number: 000561N),

Chartered Accountants, as the Statutory Auditors of the Company to hold office for 5 (five) consecutive years, subject to ratification by Shareholders in every Annual General Meeting.

Proviso (1) of sub-section (1) of Section 139 of the Act which mandates that the Company shall place matter relating to such appointment for ratification by Shareholders at every Annual General Meeting has been omitted by the Companies (Amendment) Act, 2017 effective May 07, 2018. Therefore, for the Financial Year 2019-20 and thereafter, ratification of Auditors appointment every year at the Annual General Meeting is no longer required.

**SECRETARIAL AUDITOR**

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company at its meeting held on May 27, 2019 has appointed M/s. Kamlesh M Shah & Co., Practicing Company Secretary (Certificate of Practice No. 2072), as the Secretarial Auditor to conduct an audit of the secretarial records, for the financial year 2019-20.

Your company has received consent from M/s. Kamlesh M Shah & Co. to act as the Secretarial auditor for conducting audit of the Secretarial records for the financial year ending on March 31, 2019.

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith as "ANNEXURE A" to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**RISK MANAGEMENT**

Your Company has robust Risk Management policy. The Company through Board and Audit Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. Risk Management forms an integral part of the Company's planning process. There are no risks, which in the opinion of the Board threaten the existence of your Company.

**ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has in place robust internal control procedures commensurate with its size and operations. Company has the internal controls Department headed by Internal Auditor of the company. The Board of Directors is also responsible for the internal control system, sets the guidelines, verifying its adequacy, effectiveness and application. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets so that the company's main risks (operational, compliance-related, economic and financial) are properly identified and managed over time.

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

In terms of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct prohibiting, regulating and monitoring the dealings in the securities of the Company by Directors, Designated Employees and Connected Persons while in possession of unpublished price sensitive information in relation to the securities of the Company.

The code of conduct is available at the Company's website at [www.alfaica.com](http://www.alfaica.com) under investor segment.

#### VIGIL MECHANISM/WHISTLE BLOWER POLICY

In accordance with the Section 177(9) & (10) of the Companies Act, 2013 and rules framed there under read with Regulation 22 of the Listing Regulations, the Company has a Whistleblower Policy in place for its Directors and Employees to report concerns about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for protected disclosures that can be a whistle blower through e-mail or letter or to the Chairperson of the Audit Committee. Whistle Blower Policy is disclosed on the website of the Company. During the year ended on March 31, 2019, the Company did not receive any information under the scheme

#### DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an anti sexual harassment policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. There is no such instance reported during the year under review.

#### EXTRACT OF ANNUAL REPORT

The details forming part of the extract of the Annual Return as on March 31, 2019 inform MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 is annexed herewith as "ANNEXURE B" to this report.

#### PARTICULARS OF THE EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/employees of your Company is set out in "Annexure-C" of this report. The statement containing the information of the top ten employees in terms of remuneration drawn as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided to any Member on a written request to the Company Secretary. In terms of Section 136 of the Act, the Reports and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information of top ten employees which is available for inspection by the members at the Registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. There was no employee who was in receipt of remuneration in excess of ₹ 8.5Lacs per month during the year or ₹ 1.2 Crore per annum in the aggregate if employed part of the year.

Place: Ahmedabad  
Date : 27<sup>th</sup> May, 2019

#### STATUTORY DISCLOSURES REQUIRED UNDER RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure to Directors Report and is attached to this report. [Annexure-D]

#### LOAN, GUARANTEES OR INVESTMENTS

During the year, the Company has not made any investment nor given any loan or guarantees under Section 186 of Companies Act, 2013.

#### RELATED PARTIES TRANSACTIONS

During the financial year 2018-19, there was no materially significant related party transaction undertaken by the Company under Section 188 of the Companies Act, 2013 read with rules framed there under and Regulation 23 of SEBI (LODR) Regulations, 2015 that may have potential conflict with the interest of the Company. Disclosure on related party transactions is set out in financial statements.

#### MATERIAL CHANGES / INFORMATION

The company has adopted Ind-As for the first time during the year. Other than that no material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company.

#### DETAILS OF SIGNIFICANT AND MATERIAL OR DERSPASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies operations in future.

#### GENERAL DISCLOSURE

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134(3) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014 to the extent the transactions took place on those items during the year.

#### APPRECIATION

Your Director stake this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers, employees and other business associates for the excellent support and co-operation extended by them.

By Order of the Board of Directors

**Shyam Sunder Tibrewal**  
Chairman  
(DIN: 00500621)

**ANNEXURE TO THE DIRECTOR'S REPORT**

**Annexure – A to the Director's Report**  
**SECRETARIAL AUDIT REPORT (Form MR-3)**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,  
The Members,  
**ALFA ICA (INDIA) LIMITED**  
CIN: L20100GJ1991PLC016763

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ALFA ICA (INDIA) LIMITED**. Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the records of **ALFA ICA (INDIA) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 complied with the statutory provisions listed here under and also that the company has proper Board-processes and compliances mechanism in place to the extent, in the manner and subject to the reporting made here in after:

I have examined the books, papers, minute books, forms and returns filed and record maintained by **ALFA ICA (INDIA) LIMITED (CIN: L20100GJ1991PLC016763)** for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (NOT APPLICABLE FOR THE YEAR UNDER REVIEW)
  - (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
    - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- (vi) As stated in the **Annexure–A**—all the laws, rules, regulations are applicable specifically to the company.
- (vii) No other observation regarding other major corporate events occurred during the year and various compliances made by the company with applicable Laws , Rules, Regulations, Listing Agreement etc.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India though it is applicable w.e.f. 1<sup>st</sup> day of July, 2015 are adopted by the Company by passing requisite board resolutions and are complied with.
- (b) The Listing Agreements entered into by the Company with Bombay Stock Exchanges.

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I/We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executives Directors, Independent Directors and Woman Director.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company has not made any

- (I) Public / Right / Preferential issue of shares / debentures /sweat equity, etc.
- (II) Redemption/ buy-back of securities
- (III) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (IV) Foreign technical collaborations

**FOR KAMLESH M. SHAH &CO,**  
PRACTICING COMPANYSECRETARIES

**(Kamlesh M.Shah)**

Proprietor

M.No. : 8356,

C.P. No.: 2072

Place : Ahmedabad

Date : May 27, 2019

## **ANNEXURE-A**

### **Securities Laws**

1. All Price Sensitive Information was informed to the stock exchanges from time to time.
2. All investors complain directly received by the RTA & Company are recorded on the same date of receipts and all are resolved within reasonable time.

### **Labour Laws**

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are applicable to Company and Complied with.

### **Environmental Laws**

1. The Company is not discharging the contaminated water at the public drains/rivers. The company has efficient water treatment plants at its factory premises.
2. The company has been disposing the hazardous waste as per applicable rules.

### **Taxation Laws**

1. The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments.

**FOR KAMLESH M. SHAH &CO,**  
PRACTICING COMPANYSECRETARIES

**(Kamlesh M.Shah)**

Proprietor

M.No. : 8356,

C.P. No.: 2072

**Place:** Ahmedabad

**Date :** 27<sup>th</sup> May, 2019

**ANNEXURE – B TO THE DIRECTOR'S REPORT**

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDING ON March 31, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**1) REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L20100GJ1991PLC016763
<b>Registration Date</b>	11/12/1991
<b>Name of the Company</b>	Alfa Ica (India) Ltd.
<b>Category/sub-category of the Company</b>	Public Company / Limited by Shares
<b>Address of the registered office and contact details</b>	1-4, Uma Industrial Estate, Village:lawa, Taluka: Sanand, Dist: Ahmedabad. Gujarat - 382 110.
<b>Whether listed company</b>	Yes (BSE)
<b>Name, address and contact details of registrar and transfer agent if any</b>	Link Intime India Private Limited 506-508, Amarnath Business Center (ABC-I), Beside Gala Business Center, Near St. Xavier's College Corner, Off C.G. Road, Navrangpura, Ahmedabad – 380 009 Tel. no.: 079-26465179 Fax: 079-26465179 Email: ahmedabad@linkintime.co.in

**2) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SL. No.	Name and descriptions of main products/ services	NIC Code of the product/ Service	% to Total turnover of the company
1	Decorative laminates	170	99.18%

**3) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: –N.A.****4) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(i) Category-wise Share Holding:**

Sr. No	Category of Shareholders	Shareholding at the beginning of the year-2018				Shareholding at the end of the year-2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	<b>Shareholding of Promoter and Promoter Group</b>									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	2760398	0	2760398	68.33	2873298	0	2873298	71.12	2.79
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	<b>Sub Total (A)(1)</b>	<b>2760398</b>	<b>0</b>	<b>2760398</b>	<b>68.33</b>	<b>2873298</b>	<b>0</b>	<b>2873298</b>	<b>71.12</b>	<b>2.79</b>

Sr. No	Category of Shareholders	Shareholding at the beginning of the year-2018				Shareholding at the end of the year-2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)				0.00				0.00	0.00
	<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>2760398</b>	<b>0</b>	<b>2760398</b>	<b>68.33</b>	<b>2873298</b>	<b>0</b>	<b>2873298</b>	<b>71.12</b>	<b>2.79</b>
<b>(B)</b>	<b>Public Shareholding</b>									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	2100	0	2100	0.05	2100	0	2100	0.05	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	<b>Sub Total (B)(1)</b>	<b>2100</b>	<b>0</b>	<b>2100</b>	<b>0.05</b>	<b>2100</b>	<b>0</b>	<b>2100</b>	<b>0.05</b>	<b>0.00</b>
<b>[2]</b>	<b>Central Government/ State Government(s)/ President of India</b>									
	<b>Sub Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>[3]</b>	<b>Non-Institutions</b>									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital up to ₹ 1 lakh.	261223	743020	1004243	24.86	293374	712420	1005794	24.90	0.04
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	230862	0	230862	5.71	117967	0	117967	2.92	-2.79

Sr. No	Category of Shareholders	Shareholding at the beginning of the year-2018				Shareholding at the end of the year-2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Trusts	100	0	100	0.00	100	0	100	0.00	0.00
	Hindu Undivided Family	12049	0	12049	0.30	10630	0	10630	0.26	-0.04
	Non Resident Indians (Non Repat)	0	0	0	0.00	250	0	250	0.00	0.00
	Non Resident Indians (Repat)	2451	0	2451	0.06	2451	0	2451	0.06	0.00
	Clearing Member	315	0	315	0.01	230	0	230	0.01	0.00
	Bodies Corporate	23182	4300	27482	0.68	22880	4300	27180	0.67	-0.01
	<b>Sub Total (B)(3)</b>	<b>530182</b>	<b>747320</b>	<b>1277502</b>	<b>31.62</b>	<b>447882</b>	<b>716720</b>	<b>1164602</b>	<b>28.83</b>	<b>-2.79</b>
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>532282</b>	<b>747320</b>	<b>1279602</b>	<b>31.68</b>	<b>449982</b>	<b>716720</b>	<b>1166702</b>	<b>28.88</b>	<b>-2.79</b>
	<b>Total (A)+(B)</b>	<b>3292680</b>	<b>747320</b>	<b>4040000</b>	<b>100.00</b>	<b>3323280</b>	<b>716720</b>	<b>4040000</b>	<b>100.00</b>	<b>0.00</b>
(C)	<b>Non Promoter - Non Public</b>									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Total (A)+(B)+(C)</b>	<b>3292680</b>	<b>747320</b>	<b>4040000</b>	<b>100.00</b>	<b>3323280</b>	<b>716720</b>	<b>4040000</b>	<b>100.00</b>	

## (ii) Shareholding of promoter:

Shareholders Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% change in shares holding during the year
	No.of Shares Held	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No.of Shares Held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
Rishi Rajendra Tikmani	999576	24.74	0	999576	24.74	0	0
Vimaladevi R Tikmani	760022	18.81	0	872922	21.61	0	2.79
Rishi Tikmani	561200	13.89	0	561200	13.89	0	0.00
Pooja Tikmani	439600	10.88	0	439600	10.88	0	0.00
<b>Total</b>	<b>2760398</b>	<b>68.33</b>	<b>0</b>	<b>2873298</b>	<b>71.12</b>	<b>0</b>	<b>2.79</b>

## (iii) Change in Promoter's Shareholding (Please specify, if there is no change)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares Of The Company
1	Rajendra Tikmani (Huf)	999576	24.74			999576	24.74
	At The End Of The Year					999576	24.74
2	Vimaladevi R Tikmani	760022	18.81			760022	18.81
	Transfer			15 June 2018	112900	872922	21.61
	At The End Of The Year					872922	21.61
3	Rishi Tikmani	561200	13.89			561200	13.89
	At The End Of The Year					561200	13.89
4	Pooja Tikmani	439600	10.88			439600	10.88
	At The End Of The Year					439600	10.88

## (iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDER ( OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS ANDADRS)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		No. of Shares Held	% Of Total Shares Of The Company	Date Of Transaction	No. Of Shares	No Of Shares Held	% Of Total Shares Of The Company
1	Saroj Jugal Maheshwari	51500	1.2748			51500	1.2748
	Transfer			06 Jul 2018	(51500)	0	0.0000
	Transfer			03 Aug 2018	51500	51500	1.2748
	At The End Of The Year					51500	1.2748
2	Sanjaykumar Sarawagi	40419	1.0005			40419	1.0005
	At The End Of The Year					40419	1.0005
3	Pritty Devi Sarawagi	14561	0.3604			14561	0.3604
	Transfer			19 Oct 2018	5	14566	0.3605
4	At The End Of The Year					14566	0.3605
	Karthik Subramaniam	11482	0.2842			11482	0.2842
5	Sangitakumari S Agarwal	0	0.0000			0	0.0000
	At The End Of The Year					0	0.0000
6	Usharani R Agarwal	0	0.0000			0	0.0000
	At The End Of The Year					0	0.0000
7	Sundarlal Agarwal	0	0.0000			0	0.0000
	At The End Of The Year					0	0.0000

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		No. of Shares Held	% Of Total Shares Of The Company	Date Of Transaction	No. Of Shares	No Of Shares Held	% Of Total Shares Of The Company
8	Fourth Axis Advisors Llp	9962	0.2466			9962	0.2466
	At The End Of The Year					9962	0.2466
9	Shamrock Securities Pvt. Ltd.	9113	0.2256			9113	0.2256
	At The End Of The Year					9113	0.2256
10	Uma Subramaniam	6764	0.1674			6764	0.1674
	At The End Of The Year					6764	0.1674
11	Savita Gupta	112900	2.7946			112900	2.7946
	Transfer			15 Jun 2018	(112900)	0	0.0000
	At The End Of The Year					0	0.0000

## (v) Shareholding of Directors and Key Managerial Personnel

	Name of the Director / KMP	Shareholding at the beginning of the year		Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of The company	No. of shares	% of total shares of The company
1.	Rishi Tikmani				
	At the beginning of the year	561200	13.89	561200	13.89
	At the end of the year			561200	13.89
2.	Pooja Tikmani				
	At the beginning of the year	439600	10.88	439600	10.88
	At the end of the year	-	-	439600	10.88
3.	Shyam Sunder Tibrewal				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
4.	Inder Chand Nahta				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
5.	Sanjeev Sharma				
	At the beginning of the year	400	0.00	400	0.00
	At the end of the year			400	0.00
6.	Hansraj Sekhani				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
7.	Sejal M. Kanabi				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-

## 5. INDEBTEDNESS

Indebtedness of the Company including interest Outstanding/Accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	657,11,728	66,909,807	-	131,621,535
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>657,11,728</b>	<b>66,909,807</b>	<b>-</b>	<b>131,621,535</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	37,638,224		-	37,638,224
Reduction		(3,154,587)	-	(3,154,587)
<b>Net Change</b>	<b>37,638,224</b>	<b>(3,154,587)</b>	<b>-</b>	<b>34,483,637</b>
<b>Indebtedness at the end of the financial year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
i) Principal Amount	103,349,952	637,55,220	-	167,105,172
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>103,349,952</b>	<b>637,55,220</b>	<b>-</b>	<b>167,105,172</b>

## 6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Rishi Tikmani (WTD)	Pooja Tikmani (ED)	Total Amount
1.	a. Salary as per provisions contained in section 17(1) of the Income Tax Act,1961	3,600,000	3,600,000	7,200,000
	b.. Value of perquisites u/s 17(2) of the Income Tax Act,1961			
	c. Profits in lieu of Salary under Section 17(3) of the Income Tax Act,1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- as % of profit- others (specify)	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	3,600,000	3,600,000	7,200,000
	Ceiling as per the Act			

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of the Director			Total Amount
		Shyam Sundar Tibrewal	Inder Chand Nahta	Sanjeev Sharma	
1.	Independent Directors				
	a. Fee for attending board / committee meetings	-	-	-	-
	b. Commission	-	-	-	-
	c. Others, please specify	-	-	-	-
	Total(1)	-	-	-	-
2.	Other Non-Executive Directors				
	a. Fee for attending board / committee meetings	-	-	-	-
	b. Commission	-	-	-	-
	c. Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				7,200,000
	Overall Ceiling as per the Act	As per Section (ii) of Part (ii) of Schedule V.			

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		TOTAL
		Sejal Kanabi Company Secretary	Hansraj Shekhani Chief Financial Officer	
1	a. Salary as per provisions contained in section 17(1) of the Income Tax Act,1961 b. Value of perquisites u/s 17(2) of the Income Tax Act,1961 c. Profits in lieu of Salary under Section 17(3) of the Income Tax Act,1961	2,18,400	4,29,000	6,47,400
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit – others(specify)			
5	OTHERS, PLEASE SPECIFY	-	-	-
	<b>Total</b>	<b>2,18,400</b>	<b>4,29,000</b>	<b>6,47,400</b>

**7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty			None		
punishment					
compounding					
<b>B. Directors</b>					
Penalty			None		
punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty			None		
punishment					
Compounding					

**ANNEXURE - C**

**Details pertaining to Remuneration as required under section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.**

- a) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are asunder:

Sr. No:	Name of Director/ KMP	Designation	Remuneration of Director for the financial year 2018-19 (in ₹)	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Rishi Tikmani	Whole time Director	3,600,000	32.15	Profit before tax increased by 11.87%, and Profit after tax increased by 6.68 % in financial year 2018-19.
2.	Ms. Pooja Tikmani	Executive Director	3,600,000	32.15	
3.	Ms. Sejal M. Kanabi	Company Secretary	2,18,400	1.95	
4.	Mr. Hansraj Sekhani	CFO	4,29,000	3.83	

- b) The median remuneration of employees of the Company during the financial year was ₹ 111,991/-
- c) There was increase between 5% to 10% in the salaries of the employee.
- d) There were 52 permanent employees on the rolls of Company as on March 31, 2019.

**ANNEXURE – D TO THE DIRECTOR’S REPORT****A. CONSERVATION OF ENERGY****(a) Energy conservation measures taken:-**

Your company gives priority to Energy conservation. It regularly reviews measures to be taken for Energy Conservation/ Consumption and its effective utilization.

**(b) Total energy consumption and energy consumption per unit of production:**

(I) POWER & FUEL CONSUMPTION	2018-19	2017-18
<b>1 ELECTRICITY</b>		
(a) Purchased		
Unit	1283515	1224827
Total Amount (₹)	9005577	8991229
Rate / Unit (₹)	7.02	7.34
(b) Own Generation		
Through Diesel Generation(Units)	21100	19983
No. of Unit Per Ltr. of Diesel Oil	1.13	1.20
Average Rate / Unit (₹)	64.16	57.27
<b>2 OTHERS</b>		
a. Diesel/(Qty (KL)	18660	16711
b. Total Amount (₹)	1353713	1144344
c. Average Rate (₹)	72.55	68.48
a. Fire Wood (Kg)	2052410	1285405
b. Total Amount (₹)	8156834	4902550
c. Average Rate (₹)	3.97	3.81
a. Coal (Qty – MT)	10179.95	9828.09
b. Total Amount (₹)	27441235	24913933
c. Average Rate / Unit (₹)	2695.62	2534.97

**B. TECHNOLOGY ABSORPTION****(I) Research and Development (R & D):**

Continuous efforts are made for quality improvement. In house research and development work is carried out by the Company. No significant expenditure is incurred.

**(II) Technology absorption, adaptation:**

There is no change in technology.

**C. Foreign Exchange Earning and Outgo :**

Particulars	2018-19	2017-18
a. Total Foreign Exchange earnings	419703123	392378817
b. Total Foreign Exchange used	170542273	154164911
c. Expenditure in Foreign Currency	73180	340870

On behalf of the Board of Directors

**Shyam Sunder Tibrewal**

Chairman

(DIN: 00500621)

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2019

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. GLOBAL ECONOMIC OVERVIEW**

In the year 2018-19, the global economy saw significant volatility. It saw a range-bound global economic growth, largely supported by the continued strong momentum in the US economy. The US economy has accelerated at its finest pace in last four years due to monetary stimulus and tax cuts during the current year. The growth trend, coupled with tight labour market participation, pushed the US Fed to increase its policy rates four times during the year, each time by 25 bps. At the same time, growth in the Euro zone slowed down due to the high deficit concerns in Italy and political uncertainties around Brexit. The biggest risk facing economies is the growing evidence that global growth and trade are weakening.

The cyclical global growth phase appears to be slowing down and this could potentially impact the export sectors in the economy. Moreover, the consequences of the ongoing US-China trade talks as well as the final outcome of the now-delayed Brexit will have ramifications on supply chain networks and financial markets across the globe. As always, a lot would also hinge on the crude price stability as well as stable foreign exchange markets to support the global growth.

### **2. INDIAN ECONOMY**

On the domestic front, the full-year GDP growth rate is pegged at 7% for FY2018-19. This was due to the waning effects of the demonetization exercise, the disruption in supply chains following the implementation of the Goods and Services Tax (GST) and Insolvency and Bankruptcy Code (IBC). However, the growth trends continued to remain choppy throughout the year. Industrial activity across sectors showed only a marginal improvement as labour-intensive sectors such as textiles, gems and jewellery, leather etc. continued to struggle throughout the year. Crude prices saw a significant uptrend in the first half of the year, rising by more than 40% before retracing back during the second half. However, overall inflation in the economy remained contained on the back of low food prices resulting from higher agriculture output and low global food prices.

The Government's 'Make in India' initiative for the Defense sector continues to progress slowly due to bureaucratic inertia and complex procurement procedures. Consumer sentiments remained suppressed for most part of the year with urban consumers feeling the overhang of inadequate job/income growth and high oil prices. At the same time, persistent deflation in food prices and lack of Minimum Support Price (MSP) realizations adversely impacted rural demand. In addition, credit growth was severely affected in the second half of the financial year with the non-banking financial sector under stress from defaults by a few large players in the sector. Investment by private sector saw significant traction, with pick up in award of large value contracts in airport expansion and health sector. Also

some momentum was seen in private sector capacity expansion. However, the overhang of bad debt, rising policy uncertainties and low capacity utilization continue to impact the Indian industry capex. The Indian currency saw a significant depreciation, falling to lows of 74.3 per USD mark mid-year before recovering. The last month of FY2018-19 saw the Rupee recover sharply to 68-69 per USD range on the back of renewed portfolio inflows as well as revised views on a likely long pause from the US Fed on its interest rates.

### **3. BUSINESS OVERVIEW**

Your company is in the business of High Pressure Laminate (H.P.L) Sheets & Compacts .Alfa ranges are available in several Colours, Designs and Textures consisting of more than 400 design decors and more than 50 textures. With more decors and more finishes, our innovation brings you beautiful, high quality environmental friendly decorative solutions.

Alfa High Pressure Laminates are recognized and appreciated by architects, interiors and fitters. We confirm all our produce is as per strict requirements of EN438 (European Standard).To ensure European quality, all decorative papers are sourced from world's best European printers.

In changing world, we are changing faster. We are relentless in our pursuit of discovery and innovation, bringing in technologies that empower us to enhance your environment, constantly opening the door to a world of possibility. Alfa Laminate sheets are used for various applications in many areas such as Furniture Covering, Wall Paneling, Partitions, Door Covering, Shower Panels, Interior Wall Paneling, Exterior Wall Cladding, Green Chalk Board, White Marker Board, Kitchen Top and Backsplash, Table Top, Anti-bacterial laminate, Anti-fingerprint laminate, Cubicle partition panel and more other things.

Your company assures highest commitment of consistent innovation by introduction of new designs as well as finishes to feed the creative mind of interior decorators and furniture designers. The company's philosophy is to attain transparency and accountability in its relationship with all its stakeholders, ensuring a high degree of regulatory compliance.

### **4. DISCUSSION ON COMPANY'S PERFORMANCE**

Your Company continues to sustain with its overall performance in the financial year 2018-19 driven by the average performance in existing business. Currently the Company is running well in decorative laminates segment. Your Directors have been making efforts on all fronts viz. production, marketing, finance and cost control etc. and these efforts have been yielding good results. The outlook for the company's products appears to be good and the company is confident of achieving improved operational performance.

The Profit before Tax amounted to ₹ 178,52,003 as against ₹ 15,957,324 in the previous year. The net profit after tax was ₹ 124,54,939 as against ₹ 11,778,840 in the previous year.

Your company has continued to put in all possible efforts to boost exports, during the year under review achieved Export sales of ₹ 430,148,173.

#### 5. INTERNAL CONTROL SYSTEM

The Company has in place robust internal control procedures commensurate with its size and operations. Company has the internal controls Department headed by Internal Auditor of the company. The Board of Directors is also responsible for the internal control system, sets the guidelines, verifying its adequacy, effectiveness and application. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets so that the company's main risks (operational, compliance-related, economic and financial) are properly identified and managed overtime.

#### 6. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Company maintained healthy, cordial and harmonious industrial relations at all levels. The Board of Directors and management wish to place on record their appreciation of the efforts put in by all employees to achieve good performance.

Some of the company's core developments on the HR front and imitative planned during the year under review included the following:

- Standardized recruitment through creating robust systems and processes to ensure that only those qualified whose skill sets matched with the requirements;
- Focused on training to establish a professional e-learning module
- Focus on capabilities enhancement through structure interventions, bothon functional and behavioral side
- With a view to professionalize payroll, to outsource the service to ensure that all statutory and regulatory compliances are met to the highest level

There was not any case pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was reported during the year.

#### 7. RISK MANAGEMENT

Your Company has adopted a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks elements associated with the businesses and functions of the Company have been identified and will be systematically addressed through mitigating actions on a continuing basis. These are already discussed at the meetings of the Audit Committee and the Board of Directors of the Company. Risk Management forms an integral part of the Company's planning process. There are no risks, which in the opinion of the Board threaten the existence of your Company.

#### 8. FUTURE OUTLOOK

Exports shall remain the core growth area and a lot depends on overseas economic recovery. In the domestic sector, the outlook seems to be stable in long term, with the economy expected to perform better in the years to come. Though inflation is a worry which may dampen real spends in the economy, but an emphasis on infrastructure and housing shall push the demand for company's products.

#### 9. SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE

The Company is engaged primarily in manufacturing of Laminated Sheets and there are no separate reportable segments.

#### 10. CAUTIONARY STATEMENT:

Certain statements in this Annual Report more particularly in the Management Discussion and Analysis Report describing the Company's strength, strategies, objectives, predictions, expectations and estimates may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include global and domestic financial market conditions affecting the interest rates, availability of resources for the financial sector, market for lending, changes in regulatory directions issued by the Government, tax laws, economic situation affecting demand / supply, price conditions in the domestic markets in which Company operates, significant changes in political and economic environment in India, applicable statues, litigations, labour relations that may impact the Company's business as well as its ability to implement its strategies. Further, market data and product information contained in this Report are based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured. The Company does not undertake to update these statements.

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
**ALFA ICA (INDIA) LIMITED**  
CIN: L20100GJ1991PLC016763

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of **Alfa Ica (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section

143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<b>Litigation and Disputed Demands (as described in note 26 of the financial statements)</b>	
<p>The Company is involved in direct tax litigation related to disputed demand pending with Hon'ble Gujarat High Court as indicated in Note 26.</p> <p>The amount of recoverable claims and disputed demands may be significant. Assessment of recoverability of claims and estimates of the amounts of provisions or contingent liabilities are subject to significant management judgement.</p> <p>Accordingly, this matter has been determined to be a key matter, since the aforementioned matters requires significant judgements by management, including that obtained from its legal advisors.</p>	<p>Our audit procedures included the following procedures:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of Key litigations, disputed demands and recoverable claims.</li> <li>• Evaluated management's assessment of the likely outcome and potential exposures arising from ongoing court and arbitration proceedings and considered the requirements for any provision.</li> <li>• Inquired with both legal and finance personnel in respect of ongoing litigations, inspected relevant correspondence and obtained legal confirmation letters on sample basis from external legal counsels.</li> </ul>

We have determined that there are no key audit matters to communicate in our report.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of

the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended;
- e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the act, as amended in our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 26 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**Place:** New Delhi  
**Date :** 27<sup>th</sup> May, 2019

#### Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Alfa Ica (India) Limited of even date)

#### Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act")

- i. In respect of the Company's fixed assets: -
- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The company has conducted physical verification of its inventories (excluding materials in transit and stock lying with third parties) at reasonable intervals. No material discrepancies were noticed during physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. As informed to us, the company has not given any loan, made investments, given guarantees and securities to any person or party covered under Section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanations given to us, the Company has not accepted any deposit and hence reporting under paragraph 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148

- of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the same.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.
  - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they become payable.
  - Details of the dues of Income Tax which have not been deposited by the Company as at March 31, 2019 on account of any dispute are given below—

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	12,164,310	2010-2011	Gujarat High Court

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institution, banks and government and dues to debenture holders.
- ix. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments) / term loan during the period.
- x. According to the information and explanations given to us and to the best of our knowledge, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us the Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation give to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**Place:** New Delhi  
**Date :** 27<sup>th</sup> May, 2019

**Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Alfa Ica (India) Limited of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Alfa Ica (India) Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“the Act”).

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘the Guidance Note’) and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the

Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**Place:** New Delhi  
**Date:** 27<sup>th</sup> May, 2019

**BALANCE SHEET AS AT MARCH 31, 2019**

[CIN : L20100GJ1991PLC016763]

(Amount in ₹)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>A ASSETS</b>			
<b>I. Non current assets</b>			
(a) Property, plant and equipment	2	122,531,852	97,410,726
(b) Capital work-in-progress		-	2,198,684
(c) Financial assets			
(i) Other financial assets	3	1,450,625	1,442,991
<b>Sub-total of non current assets</b>		<b>123,982,477</b>	<b>101,052,401</b>
<b>II. Current assets</b>			
(a) Inventories	4	138,307,516	128,429,115
(b) Financial assets			
(i) Trade receivables	5	86,733,450	86,293,069
(ii) Cash and cash equivalents	6	1,209,907	1,674,733
(c) Other current assets	7	18,056,966	20,574,250
<b>Sub-total of Current Assets</b>		<b>244,307,839</b>	<b>236,971,167</b>
<b>TOTAL ASSETS</b>		<b>368,290,316</b>	<b>338,023,568</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity :</b>			
(a) Equity share capital	8	40,400,000	40,400,000
(b) Other equity	9	107,704,259	100,008,410
<b>Sub-total -equity</b>		<b>148,104,259</b>	<b>140,408,410</b>
<b>II Liabilities:</b>			
<b>1 Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	10	63,755,220	66,909,807
(b) Deferred tax liabilities (net)	12	4,510,350	3,686,462
(c) Provisions	11	991,356	872,438
<b>Sub-total of non current liabilities</b>		<b>69,256,926</b>	<b>71,468,707</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	103,349,952	65,711,728
(ii) Trade payables	14		
- due to micro enterprises and small enterprises		2,747,365	-
- due to creditors other than micro enterprises and small enterprises		41,221,343	56,750,026
(iii) Other financial liabilities		-	-
(b) Other current liabilities	15	3,200,902	2,802,912
(c) Provisions	16	409,569	881,785
<b>Sub- total of current liabilities</b>		<b>150,929,131</b>	<b>126,146,451</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>368,290,316</b>	<b>338,023,568</b>
See accompanying notes to the financial statements.	1-34		

As per our Report of Even Date

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Vardhman Doogar**  
Partner  
M.No. 517347

**Place:** Ahmedabad  
**Date :** 27<sup>th</sup> May, 2019

For and on behalf of the Board of Directors

**Shyam Sunder Tibrewal** Chairman  
(DIN : 00500621)

**Pooja Tikmani** Director  
(DIN : 06944249)

**Rishi Tikmani** Director  
(DIN : 00638644)

**Himadri Trivedi** Company secretary

**Hansraj Sekhani** Chief Finance Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

[CIN : L20100GJ1991PLC016763]

(Amount in ₹)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I. Revenue from operations	17	560,461,697	573,594,078
II. Other income	18	4,628,332	9,623,531
<b>III. Total Revenue (I + II)</b>		<b>565,090,029</b>	<b>583,217,609</b>
<b>Expenses:</b>			
(a) Cost of materials consumed	19	377,620,526	391,059,091
(b) Changes in inventories of finished goods work-in-progress and stock-in-trade	20	(812,815)	6,021,775
(c) Excise duty on sale of goods		-	7,295,811
(d) Employee benefits expenses	21	17,621,693	13,931,587
(e) Finance costs	22	16,151,645	12,354,275
(f) Depreciation and amortization expenses	2	6,900,925	6,843,287
(g) Other expenses	23	129,756,052	129,754,459
<b>IV. Total expenses</b>		<b>547,238,026</b>	<b>567,260,285</b>
<b>V. Profit before tax (III-IV)</b>		<b>17,852,003</b>	<b>15,957,324</b>
<b>VI. Tax expense:</b>			
(1) Current tax		4,380,401	5,048,675
(2) Tax adjustments earlier years		235,763	-
(3) Deferred tax		780,900	(870,191)
<b>VII. Profit for the year (V-VI)</b>		<b>12,454,939</b>	<b>11,778,840</b>
<b>VIII. Other Comprehensive Income</b>			
OCI not to be reclassified to profit or loss		-	-
Re-measurement income/(loss) on defined benefit plan		154,522	-
Income tax relating to items that will not be reclassified to profit or loss		(42,988)	-
<b>Total Other Comprehensive Income ( Net)</b>		<b>111,534</b>	<b>-</b>
<b>IX. Total Comprehensive Income for the Year(VII + VIII)</b>		<b>12,566,473</b>	<b>11,778,840</b>
Earnings per equity share:			
(1) Basic (in ₹)		3.08	2.92
(2) Diluted (in ₹)		3.08	2.92
<b>See accompanying notes to the financial statements.</b>		<b>1-34</b>	

As per our Report of Even Date

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Vardhman Doogar**  
Partner  
M.No. 517347

**Place:** Ahmedabad  
**Date :** 27<sup>th</sup> May, 2019

For and on behalf of the Board of Directors

**Shyam Sunder Tibrewal** Chairman  
(DIN : 00500621)

**Pooja Tikmani** Director  
(DIN : 06944249)

**Rishi Tikmani** Director  
(DIN : 00638644)

**Himadri Trivedi** Company secretary

**Hansraj Sekhani** Chief Finance Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

[CIN : L20100GJ1991PLC016763]

(Amount in ₹)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Cashflow from operating activities</b>		
Net profit before tax from continuing operations	17,852,003	15,957,324
<b>Add/Less : Adjustments</b>		
Loss/(Profit) on sale of fixed asset	(87,368)	554,331
Depreciation and amortization Expense	6,900,925	6,843,287
Finance cost	16,151,645	12,354,275
Interest income	(209,955)	(102,202)
<b>Operating profit before working capital changes</b>	<b>40,607,250</b>	<b>35,607,015</b>
Movements in working capital :		
Increase/ (decrease) in trade payables	(12,781,318)	6,577,656
Increase/ (decrease) in other current liabilities	397,990	(1,720,033)
Increase/ (decrease) in provisions	295,069	1,129,976
Decrease / (increase) in trade receivables	(440,382)	(31,038,587)
Decrease / (increase) in inventories	(9,878,401)	(198,074)
Decrease / (increase) in other financial assets	(7,634)	(8,094)
Decrease / (increase) in other current assets	2,517,284	(13,163,528)
Cash generated from /(used in) operations	20,709,859	(2,813,668)
Direct taxes paid (net of refunds)	(5,110,011)	(4,444,722)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>15,599,848</b>	<b>(7,258,390)</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances	(29,880,998)	(12,964,468)
Proceeds from sale of fixed assets	145,000	460,000
Interest received	209,955	102,202
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(29,526,043)</b>	<b>(12,402,266)</b>
<b>Cash flows from financing activities</b>		
Repayment of short-term borrowings	37,638,225	(763,859)
Proceeds from other long term liabilities	(3,154,587)	1,844,019
Financial expenses	(16,151,645)	(12,354,275)
Dividend paid	(4,040,000)	-
DDT on dividend	(830,624)	-
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>13,461,369</b>	<b>(11,274,115)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(464,826)</b>	<b>(30,934,771)</b>
Cash and cash equivalents at the beginning of the year	1,674,733	32,609,504
<b>Cash and cash equivalents at the end of the year</b>	<b>1,209,907</b>	<b>1,674,733</b>
<b>See accompanying notes to the financial statements.</b>	1-34	

As per our Report of Even Date

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Vardhman Doogar**  
Partner  
M.No. 517347

**Place:** Ahmedabad  
**Date :** 27<sup>th</sup> May, 2019

For and on behalf of the Board of Directors

**Shyam Sunder Tibrewal** Chairman  
(DIN : 00500621)

**Pooja Tikmani** Director  
(DIN : 06944249)

**Rishi Tikmani** Director  
(DIN : 00638644)

**Himadri Trivedi** Company secretary

**Hansraj Sekhani** Chief Finance Officer

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

[CIN : L20100GJ1991PLC016763]

A. Equity Share Capital					Amount in ₹
<b>Balance as at 01.04.2017</b>					<b>40,400,000</b>
Changes in Equity Share Capital during the year					-
<b>Balance as at 31.03.2018</b>					<b>40,400,000</b>
Changes in Equity Share Capital during the year					-
<b>Balance as at 31.03.2019</b>					<b>40,400,000</b>
<b>B. Other Equity</b>					
	Reserves and Surplus				
	Capital Redemption Reserve	Subsidy from State Government	Retained Earning (Surplus)	Total Other Equity	
<b>Balance as at 01.04.2017</b>	25,000,000	1,500,000	61,729,570	88,229,570	
Profit/(Loss) during the year			11,778,840	11,778,840	
Other Comprehensive Income/(Loss) for the year, net of income tax	-	-	-	-	
<b>Balance as at 31.03.2018</b>	25,000,000	1,500,000	73,508,410	100,008,410	
Profit/(Loss) during the year			12,566,473	12,566,473	
Other Comprehensive Income/(Loss) for the year, net of income tax	-	-	-	-	
Dividends (including corporate dividend tax)	-	-	(4,870,624)	(4,870,624)	
<b>Balance as at 31.03.2019</b>	25,000,000	1,500,000	81,204,259	107,704,259	
See accompanying notes to the financial statements	1-34				

As per our Report of Even Date

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Vardhman Doogar**  
Partner  
M.No. 517347

**Place:** Ahmedabad  
**Date :** 27<sup>th</sup> May, 2019

**For and on behalf of the Board of Directors**

**Shyam Sunder Tibrewal** Chairman  
(DIN : 00500621)

**Pooja Tikmani** Director  
(DIN : 06944249)

**Rishi Tikmani** Director  
(DIN : 00638644)

**Himadri Trivedi** Company secretary

**Hansraj Sekhani** Chief Finance Officer

## Notes on Financial Statement for the Year ended March 31, 2019

### 1. Company overview

Alfa Ica (India) Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE). The registered office of the Company is located at 1-4, Uma Industrial Estate, Village Vasana- Iyawa, Tal. Sanand, Dist. Ahmedabad, Gujarat.

The Company's principal activity is to manufacture and market decorative laminate sheets.

### 2. Basis of preparation

#### i. Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the company.

#### ii. Historical cost convention

The financial statements have been prepared on a historical cost basis.

#### iii. Use of estimates

In preparing the financial statements in conformity with accounting principles, management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

### 3. Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is inclusive of excise duty and net of returns, trade discounts.

The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

#### Sale of products

Timing of recognition- Revenue from sale of products is recognised when significant risks and rewards in respect of

ownership of products are transferred to customers based on the terms of sale.

Measurement of revenue- Revenue from sales is based on the price specified in the sales contracts, net of all discounts and returns at the time of sale.

Revenue from interest is recognized on accrual basis.

### 4. Foreign currency translation

#### i. Presentation Currency

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupee.

#### ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

### 5. Property, plant and equipment

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and others non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Tangible fixed assets under construction are disclosed as capital work in progress.

#### Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 6. Intangible assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognized if it is probable that the expected future

economic benefits that are attributable to the asset will flow to the company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

#### 7. Depreciation and amortization expenses

Depreciation on tangible fixed assets and amortisation of intangible fixed assets is provided on the straight line method, as per useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions is provided on a pro-rata basis from the month of acquisition/installation. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale/adjustment, as the case may be.

#### 8. Income tax

Income tax expense represents the sum of current and deferred tax (including MAT). Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### 9. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production

of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

#### 10. Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity. Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### 11. Cash and cash equivalents

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of three months or less from the balance sheet date, which are subject to an insignificant risk of changes in value.

#### 12. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### 13. Government grants

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

The benefit of a government loan at below current market rate of interest is treated as a government grant.

#### 14. Provisions, contingent liabilities and contingent assets

A provision is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources in respect of which a reliable estimate can be made. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the

occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised.

## 15. Employee benefits

### Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### Post-employment obligations

#### (a) Defined benefit plans

##### Gratuity obligations

The liability in respect of Gratuity is determined based on the actuarial valuation done by Actuary as at Balance Sheet dated in context of the Ind AS 19 following Projected Unit Credit Method. The gratuity plan is unfunded and the Company will pay gratuity as and when it becomes due. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

##### Leave encashment on termination of service

Benefits under the Company's leave encashment constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. It is unfunded plan.

#### (b) Defined contribution plans

##### Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

## 16. Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value.

## 17. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### (i) Initial recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

### (ii) Subsequent measurement

#### Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

#### Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying

amounts approximate fair value due to the short maturity of these instruments.

## 18. Impairment of assets

### (i) Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

### (ii) Non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Ind AS 36 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

## 19. Recent Accounting Pronouncements

### i. Ind-AS 116 Leases :-

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

### ii. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :-

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

**iii. Amendment to Ind AS 12 – Income taxes :-**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

**iv. Amendment to Ind AS 19 – plan amendment, curtailment or settlement :-**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

2. Property, Plant & Equipments		(Amount in ₹)								
		Gross Carrying Amount		Accumulated Depreciation		Net Carrying amount				
Sr. No.	Particulars	As at April 1, 2018	Additions during the year	Disposal/ Adjustments during the year	As at March 31, 2019	As at April 1, 2018	Depreciation for the year	Disposal/ reversal	As at March 31, 2019	As at March 31, 2018
1	Land	30,169,144	-	-	30,169,144	-	-	-	-	30,169,144
2	Building (Factory)	22,104,223	5,682,434	-	27,786,657	14,003,293	829,162	-	14,832,455	8,100,930
3	Building (Office)	3,262,491	-	-	3,262,491	639,248	51,484	-	690,732	2,623,243
4	Guest House	3,904,069	-	-	3,904,069	530,556	61,164	-	591,720	3,312,349
5	Plant And Machinery	113,894,805	25,299,504	-	139,194,309	75,114,605	3,406,428	-	78,521,033	38,780,200
6	Computer	343,190	-	-	343,190	255,054	48,306	-	303,360	88,136
7	Office Equipment	551,107	60,804	-	611,911	454,755	33,014	-	487,769	96,352
8	Air Conditioner	1,801,037	192,187	-	1,993,224	1,382,742	167,457	-	1,550,199	418,295
9	Electric Installations & Equipment	2,345,475	300,000	-	2,645,475	1,727,942	112,615	-	1,840,557	617,533
10	Motor Cars	21,461,799	544,753	645,482	21,361,070	8,367,761	2,180,635	587,852	9,960,544	13,094,038
11	Furniture And Fittings	659,773	-	-	659,773	610,431	10,660	-	621,091	49,342
	<b>TOTAL</b>	<b>200,497,113</b>	<b>32,079,682</b>	<b>645,482</b>	<b>231,931,313</b>	<b>105,086,387</b>	<b>6,900,925</b>	<b>587,852</b>	<b>109,999,461</b>	<b>97,410,726</b>
Sr. No.	Particulars	As at April 1, 2017	Deemed Cost/Gross Carrying Amount Additions during the year	Disposal/Adjustments during the year	As at March 31, 2018	As at April 1, 2017	Depreciation for the year	Disposal/ reversal	As at March 31, 2018	As at March 31, 2017
1	Land	30,169,144	-	-	30,169,144	-	-	-	-	30,169,144
2	Building (Factory)	22,104,223	-	-	22,104,223	13,209,627	793,666	-	14,003,293	8,894,596
3	Building (Office)	3,262,491	-	-	3,262,491	587,764	51,484	-	639,248	2,674,727
4	Guest House	3,904,069	-	-	3,904,069	469,391	61,164	-	530,556	3,434,678
5	Plant And Machinery	104,129,437	9,765,368	-	113,894,805	71,545,036	3,569,569	-	75,114,605	32,584,402
6	Computer	343,190	-	-	343,190	191,200	63,854	-	255,054	88,136
7	Office Equipment	551,107	-	-	551,107	419,505	35,250	-	454,755	131,602
8	Air Conditioner	1,752,037	49,000	-	1,801,037	1,226,715	156,027	-	1,382,742	525,322
9	Electric Installations & Equipment	2,345,475	-	-	2,345,475	1,633,093	94,849	-	1,727,942	712,381
10	Motor Cars	20,600,603	3,150,100	2,288,904	21,461,799	7,635,572	2,006,763	1,274,574	8,367,761	12,965,032
11	Furniture And Fittings	659,773	-	-	659,773	599,771	10,660	-	610,431	60,002
	<b>TOTAL</b>	<b>189,821,549</b>	<b>12,964,468</b>	<b>2,288,904</b>	<b>200,497,113</b>	<b>97,517,674</b>	<b>6,843,287</b>	<b>1,274,574</b>	<b>103,086,387</b>	<b>92,303,877</b>

**3. Other non-current financial assets**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Other deposits	1,450,625	1,442,991
<b>Total</b>	<b>1,450,625</b>	<b>1,442,991</b>

**4. Inventories (at cost or NRV , whichever is lower)**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Raw material	119,744,876	110,454,290
Finished goods	16,302,640	15,010,325
Work-in-process	560,000	1,039,500
Stores & spares	450,000	325,000
Coal & lignite	675,000	850,000
Packing materials	575,000	750,000
<b>Total</b>	<b>138,307,516</b>	<b>128,429,115</b>

**5. Trade receivables**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Trade receivables Considered good - secured		
Trade receivables Considered good - unsecured	86733450	86,293,069
Trade Receivables which have significant increase in Credit Risk		
Trade Receivables - credit impaired		
less : Allowance for impairment loss	-	-
<b>Total</b>	<b>86,733,450</b>	<b>86,293,069</b>

**6. Cash & cash equivalents**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
a. Cash on hand	347,257	115,235
b. Balances with Banks		
- In current accounts	862,650	1,559,498
<b>Total</b>	<b>1,209,907</b>	<b>1,674,733</b>

**7. Other current assets**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
<b>Unsecured and considered goods</b>		
- Trade advances	394,454	74,004
- Taxes and duties recoverable	16,563,078	20,157,429
- Prepaid expenses	1,099,434	342,817
<b>Total</b>	<b>18,056,966</b>	<b>20,574,250</b>

**8. Equity share capital**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	₹	Number	₹
<b>Authorised</b>				
Equity shares of ₹ 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<b>Total</b>	<b>5,000,000</b>	<b>50,000,000</b>	<b>5,000,000</b>	<b>50,000,000</b>
<b>Issued, subscribed &amp; paid up</b>				
Equity shares of ₹10 each	4,040,000	40,400,000	4,040,000	40,400,000
<b>Total</b>	<b>4,040,000</b>	<b>40,400,000</b>	<b>4,040,000</b>	<b>40,400,000</b>

**8.1 Reconciliation of number of shares outstanding at the Beginning & at the End of Reporting Period**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares at the beginning of the year	4,040,000	40,400,000	4,040,000	40,400,000
Add: movement during the year	-	-	-	-
Shares out standing at the end of the year	<b>4,040,000</b>	<b>40,400,000</b>	<b>4,040,000</b>	<b>40,400,000</b>

**8.2 List of share holders holding more than 5% shares in the Company**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares :-</b>				
Rishi Tikmani	561,200	13.89	561,200	13.89
Rajendra Tikmani (HUF)	999,576	24.74	999,576	24.74
Vimladevi Tikmani	872,922	21.61	760,022	18.81
Pooja Tikmani	439,600	10.88	439,600	10.88

**8.3 Terms/rights attached to the equity shares**

The Company has one class of shares referred to as equity shares having a par value of ₹ 10 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**9. Other equity**

Particulars	Reserves and surplus			
	Capital redemption Reserve	Subsidy from state government	Retained earning (Surplus)	Total other equity
Balance as at 01.04.2017	25,000,000	1,500,000	61,729,570	88,229,570
Profit/(Loss) during the year			-	-
Other Comprehensive Income/(Loss) for the year, net of income tax	-	-	11,778,840	11,778,840
<b>Balance as at 31.03.2018</b>	<b>25,000,000</b>	<b>1,500,000</b>	<b>73,508,410</b>	<b>100,008,410</b>
<b>Balance as at 01.04.2018</b>	<b>25,000,000</b>	<b>1,500,000</b>	<b>73,508,410</b>	<b>100,008,410</b>
Profit/(Loss) during the year			12,566,473	12,566,473
Other Comprehensive Income/(Loss) for the year, net of income tax	-	-	-	-
Dividend Paid			(4,040,000)	(4,040,000)
DDT on Dividend			(830,624)	(830,624)
<b>Balance as at 31.03.2019</b>	<b>25,000,000</b>	<b>1,500,000</b>	<b>81,204,259</b>	<b>107,704,259</b>

**10. Non-current borrowings**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Unsecured loans from director and promoters	63,755,220	66,909,807
<b>Total</b>	<b>63,755,220</b>	<b>66,909,807</b>

**11. Non-current provisions**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Provision for employee benefits		
Gratuity	823,842	746,634
Leave encashment	167,514	125,804
<b>Total</b>	<b>991,356</b>	<b>872,438</b>

**12. Deferred tax liabilities (net)**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
<b>Deferred tax liabilities on account of :</b>		
Depreciation	4,863,809	3,997,770
<b>Deferred tax assets on account of :</b>		
Provision for gratuity	(293,110)	(267,201)
Provision for leave encashment	(60,349)	(44,108)
<b>Total</b>	<b>4,510,350</b>	<b>3,686,462</b>

**13. Current borrowings**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Secured loan repayable on demand		
- Cash credit from banks	103,349,952	65,711,728
<b>Total</b>	<b>103,349,952</b>	<b>65,711,728</b>

13.1. All secured loans are secured by hypothecation of all present and future goods, book debts and other movable assets and equitable mortgage of immovable properties & personal guarantee of promoter & Directors. Loans taken from bank carries interest rate of 9.55% p.a.

**14. Trade payables**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Trade payables		
1. Due to micro and small enterprises	2,747,365	-
2. Due to others	41,221,343	56,750,026
<b>Total</b>	<b>43,968,708</b>	<b>56,750,026</b>

**15. Other current liabilities**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
(a) Advance from customers	116,823	200,000
(b) Other payables*	3,084,079	2,602,912
<b>Total</b>	<b>3,200,902</b>	<b>2,802,912</b>

\* Other payables include unpaid expenses, statutory liabilities etc.

**16. Current provisions**

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Income tax provisions	130,401	624,247
Provision for employee benefits		
Gratuity	229,755	223,242
Leave encashment	49,413	34,296
<b>Total</b>	<b>409,569</b>	<b>881,785</b>

**17. Revenue from operation**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Sale of products	541,633,417	550,268,216
Other operating revenues	18,828,280	23,325,862
<b>Total</b>	<b>560,461,697</b>	<b>573,594,078</b>

**Particulars of revenue from operation**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
<b>Sale of products</b>		
Domestic	111,485,244	95,659,993
Exports	430,148,173	454,608,223
<b>Total</b>	<b>541,633,417</b>	<b>550,268,216</b>
<b>Other operating revenues</b>		
Scrap sales	617,936	376,263
Export incentives	18,210,344	22,949,599
<b>Total</b>	<b>18,828,280</b>	<b>23,325,862</b>

**18. Other income**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Interest income	209,955	102,202
Foreign exchange gain	4,331,009	9,521,329
Profit on sale of fixed assets	87,368	-
<b>Total</b>	<b>4,628,332</b>	<b>9,623,531</b>

**19. Raw material consumed**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Opening stock		
Colour and chemicals	12,958,785	11,527,726
Paper stock	97,495,505	93,456,715
<b>Total</b>	<b>110,454,290</b>	<b>104,984,441</b>
Add: Purchase (net of goods returned)		
Colour and chemicals	169,785,375	239,804,036
Paper purchase	217,125,737	156,724,904
<b>Total</b>	<b>386,911,112</b>	<b>396,528,940</b>
Less: Closing stock		
Colour and chemicals	14,569,929	12,958,785
Paper stock	105,174,947	97,495,505
<b>Total</b>	<b>119,744,876</b>	<b>110,454,290</b>
<b>Cost of Material Consumed</b>	<b>377,620,526</b>	<b>391,059,091</b>

**20. Changes in inventories of finished goods & work-in-progress**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
<b>Inventories (closing)</b>		
Finished goods	16,302,640	15,010,325
Work-in-process	560,000	1,039,500
	<b>16,862,640</b>	<b>16,049,825</b>
<b>Inventories (opening)</b>		
Finished goods	15,010,325	21,714,100
Work-in-progress	1,039,500	357,500
	<b>16,049,825</b>	<b>22,071,600</b>
<b>(Increase)/decrease in stock</b>	<b>(812,815)</b>	<b>6,021,775</b>

**21. Employees benefits expenses**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Salary, wages & allowances	7,710,698	5,548,566
Directors remuneration	7,200,000	4,920,000
Contribution to P F, ESI and other fund	2,467,703	3,106,292
Staff welfare expenses	243,292	356,729
<b>Total</b>	<b>17,621,693</b>	<b>13,931,587</b>

**22. Finance cost**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Interest expenses	14,762,101	12,306,037
Other borrowing costs	1,389,544	48,238
<b>Total</b>	<b>16,151,645</b>	<b>12,354,275</b>

**23. Other expenses**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Coal consumption	22,396,799	19,211,385
Export expenses	12,553,255	15,279,553
Import related expenses	5,186,274	5,490,331
Freight inward	14,238,291	15,784,194
Labour charges	6,791,798	7,167,010
Mfg. expenses	-	-
Packing material	12,560,766	13,365,449
Power & fuel	18,104,026	14,856,003
Sales tax	-	1,598,912
Stores & spares consumed	5,459,731	7,017,827
Audit fees	120,000	115,000
Advertisement expenses	883,268	884,346
Bank charges	2,215,431	2,078,791

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Communication expenses	1,385,528	1,584,840
Commission Paid	3,476,840	
Insurance expenses	1,173,533	1,415,351
Legal & professional fees	5,691,626	5,335,242
Other expenses	6,265,869	4,983,687
Printing & stationery expenses	1,979,000	1,842,614
Repairs & maintenance		
- Machinery	757,469	1,546,729
- Others	898,817	4,016,611
Rates & taxes	210,405	183,262
Security expense	2,208,360	2,288,072
Vehicle expense	278,149	196,325
Loss on sale of fixed asset	-	554,331
Donation	291,501	66,900
Sales promotion	2,501,284	1,724,453
Travelling expense	2,128,032	1,167,242
Exchange difference	-	-
<b>Total</b>	<b>129,756,052</b>	<b>129,754,459</b>

**24. Auditors remuneration**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
a. Statutory audit fees	120,000	115,000
b. Taxation matters	-	-
c. Certification fees and other services	-	-
<b>Total</b>	<b>120,000</b>	<b>115,000</b>

**25. Earning per share**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
a. Net profit after tax as per statement of profit & loss attributable to equity shareholders	12,454,939	11,778,840
b. Weighted average no. of equity shares	4,040,000	4,040,000
c. Face value per equity share (₹)	10	10
d. Basic & diluted earning per share	3.08	2.92

**26. Contingent liabilities**

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Demand of Income Tax Raised by the Authorities		
Disputed and not Acknowledged as due	12,164,310	14,418,950

**27. Dividend**

The Board of Directors have recommended a final dividend of INR 1 per share which is subject to the approval of the shareholders in the ensuing annual general meeting.

**28. Segment Reporting**

Since the company has only one segment, there is no separate reportable segment as required under Ind As 108. The entity wide disclosures required by Ind-AS 108 are made as follows: -

**(A) Entity Wide Disclosures:****Geographical Information****(i) Revenue from external customers**

Particulars	Within India	Outside India	Total
Financial Year ended March 31, 2019	111,485,244	430,148,173	541,633,417
Financial Year ended March 31, 2018	95,659,993	454,608,223	550,268,216

**(ii) Non Current assets**

The Company has common non-current operating assets located in India for domestic as well as overseas market. Hence, separate figures for these assets are not required to be furnished.

**29. Employee benefit obligation****a) Gratuity**

The liability in respect of Gratuity is determined based on the actuarial valuation done by Actuary as at Balance Sheet dated in context of the Ind AS 19 following Projected Unit Credit Method. The gratuity plan is unfunded and the Company will pay gratuity as and when it becomes due.

Particulars	Gratuity (unfunded)		
	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
<b>Liability as on April 01,2017</b>	-	-	-
Current service cost	969,876	-	969,876
Interest expense/(income)	-	-	-
<b>Total amount recognised in profit and loss</b>	<b>969,876</b>	-	<b>969,876</b>
(Gain)/loss from change in demographic experience	-	-	-
(Gain)/loss from change in financial assumption	-	-	-
Total amount recognised in OCI	-	-	-
Employer contribution	-	-	-
Benefit payments	-	-	-
<b>Liability as on March 31,2018</b>	<b>969,876</b>	-	<b>969,876</b>
Liability as on April 01,2018	969,876	-	969,876
Current service cost	163,466	-	163,466
Interest expense/(income)	74,777	-	74,777
<b>Total amount recognised in profit and loss</b>	<b>238,243</b>	-	<b>238,243</b>
(Gain)/loss from change in demographic experience	-	-	-
(Gain)/loss from change in financial assumption	(154,522)	-	(154,522)
<b>Total amount recognised in OCI</b>	<b>(154,522)</b>	-	<b>(154,522)</b>
Employer contribution	-	-	-
Benefit payments	-	-	-
<b>Liability as on March 31,2019</b>	<b>1,053,597</b>	-	<b>1,053,597</b>
<b>Assumptions used to determine the benefit obligations:</b>			
Expected return on plan assets			N.A.
Rate of discounting			7.71%
Rate of salary increase			6.00%
Mortality			Indian Assured Live Mortality (2006-08)

**b) Leave obligation**

As per the policy of the Company, leave obligations on account of accumulated leave on employee is settled only on termination/retirement of the employee. Such liability is recognised on the basis of actuarial valuation following Projected Unit Credit Method. It is unfunded plan.

**30. Related party transactions****a) Related Parties and their relationship:**

<b>Name of Related Party</b>	<b>Relationship</b>
Tikmani Corporation	Associate concern
Rajendra Enterprise	Associate concern
Rishi Tikmani - HUF	Associate concern
Rishi Tikmani	Key management personnel
Pooja Tikmani	Key management personnel
Vimlaji Tikmani	Relative of key mgt.personnel
Anuja Tikmani	Relative of key mgt.personnel
Hansraj Shekhani (CFO)	Key management personnel
Himadri Trivedi (CS)	Key management personnel
Sejal Kanabi (CS) (up to 08.05.2019)	Key management personnel
Sanjeev Kumar Sharma	Independent Director
Shyam Sunder Tibrewal	Independent Director
Inderchand Nahta	Independent Director

**(b) Transaction with related parties**

<b>Particulars</b>	<b>For the year ended March 31, 2019 ₹</b>	<b>For the year ended March 31, 2018 ₹</b>
<b>Advances received/(repaid) (Net)</b>		
Associate concern	(9,319,424)	(6,500,433)
Key management personnel	(440,200)	(3,926,519)
Relative of key mgt. personnel	(3,018,078)	3,281,281
<b>Interest paid</b>		
Associate concern	6,575,991	6,790,118
Key management personnel	1,434,144	1,502,503
Relative of key mgt. personnel	2,682,217	1,695,927
<b>Directors' remuneration</b>		
Key management personnel	7,200,000	4,920,000
<b>Salary</b>		
Key management personnel	647,400	595,000
<b>Professional fees</b>		
Independent Director	141,600	141,600

## (c) Statement of material transactions

Particulars	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
	₹	₹
<b>Advance (repaid)/received</b>		
Rishi Tikmani	4,824,800	(3,230,097)
Rishi Tikmani - HUF	(1,976,000)	2,005,000
Rajendra Enterprise	(12,738,000)	(2,267,000)
Anuja Tikmani	(3,149,000)	2,635,800
Pooja Tikmani	(5,265,000)	(696,422)
Vimlaji Tikmani	130,922	645,481
Tikmani Corporation	5,394,576	(6,238,433)
<b>Interest paid</b>		
Tikmani Corporation	2,719,139	3,269,157
Rajendra Enterprise	3,459,690	3,306,884
Rishi Tikmani	852,296	514,913
Rishi Tikmani - HUF	397,162	214,077
Pooja Tikmani	581,848	987,590
Vimlaji Tikmani	1,219,570	551,482
Anuja Tikmani	1,462,647	1,144,445
<b>Remuneration</b>		
Rishi Tikmani	3,600,000	2,460,000
Pooja Tikmani	3,600,000	2,460,000
Sejal Kanabi	218,400	192,000
Hansraj Shekhani	429,000	403,000
<b>Professional Fees</b>		
Sanjeev Kumar Sharma	141,600	141,600

## (d) Closing Balance

Particulars	As at	As at
	March 31, 2019	March 31, 2018
	₹	₹
Tikmani Corporation	25,060,169	17,218,368
Rishi Tikmani	6,620,982	1,029,116
Rishi Tikmani - HUF	1,025,930	2,644,485
Rajendra Enterprise	15,200,105	24,824,384
Anuja Tikmani	7,292,764	9,125,382
Pooja Tikmani	2,415,760	7,157,097
Vimlaji Tikmani	6,139,510	4,910,975

## 31. a) Income tax expenses

Particulars	As at	As at
	March 31, 2019	March 31, 2018
	₹	₹
Current tax	4,380,401	5,048,675
Income tax earlier years	235,763	-
Deferred tax	780,900	(870,191)
MAT credit entitlement	-	-
<b>Total</b>	<b>5,397,064</b>	<b>4,178,484</b>

**b) Reconciliation of estimated income tax to income tax expense**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Accounting profit before tax	17,852,003	15,957,324
Enacted tax rate in India	27.82%	33.06%
Expected income tax expense at statutory tax rate	4,966,427	5,275,970
<b>Tax effect of the amount not deductible for computing taxable income</b>	-	-
Expenses not deductible in determining taxable profits	(586,026)	(151,712)
Earlier Year Adjustments	235,763	(75,583)
MAT Credit utilised	-	-
Changes in recognised temporary differences	780,900	(870,191)
Effect of brought forward business losses	-	-
<b>Total</b>	<b>5,397,064</b>	<b>4,178,484</b>

**c) Deferred Tax**

The significant component of deferred tax assets / (liabilities) and movement during the year are as under:

Particulars	Deferred tax liability/(asset) as at March 31, 2018 ₹	Recognised/ (reversed) in statement of profit & loss ₹	Recognised/ (reversed) in OCI ₹	Deferred tax Liability/ (Asset) as at March 31, 2019 ₹
<b>Gross deferred tax liabilities</b>				
Property, plant and equipment	3,997,770	866,039	-	4,863,809
<b>Gross deferred tax assets</b>		-	-	-
Provisions for employee benefit	(311,308)	(85,139)	42,988	(353,459)
<b>Total</b>	<b>3,686,462</b>	<b>780,900</b>	<b>42,988</b>	<b>4,510,350</b>

Particulars	Deferred tax liability/(asset) as at March 31, 2017 ₹	Recognised/ (reversed) in statement of profit & loss ₹	Recognised/ (reversed) in OCI ₹	Deferred tax Liability/ (Asset) as at March 31, 2018 ₹
<b>Gross deferred tax liabilities</b>				
Property, plant and equipment	4,556,653	(558,883)	-	3,997,770
<b>Gross deferred tax assets</b>		-	-	-
Provisions for employee benefit	-	(311,308)	-	(311,308)
<b>Total</b>	<b>4,556,653</b>	<b>(870,191)</b>	<b>-</b>	<b>3,686,462</b>

**32. Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006**

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below: -

Particulars	As at	As at
	March 31, 2019	March 31, 2018
	₹	₹
Principal amount due outstanding	2,747,365	-
Interest due on (1) above and unpaid	149,278	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding year	-	-
<b>Total</b>	<b>2,896,643</b>	<b>-</b>

**33 Financial instruments****a) Capital management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from borrowings from banks and financial institutions.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents while equity includes all capital and reserves of the Company.

Particulars	As at	As at
	March 31, 2019	March 31, 2018
	₹	₹
Long term borrowings	63,755,220	66,909,807
Current maturities of long term debt	-	-
Short term borrowings	103,349,952	65,711,728
Less: Cash and cash equivalent	1,209,907	1,674,733
Less: Bank balances other than cash and cash equivalents	-	-
<b>Net debt</b>	<b>165,895,266</b>	<b>130,946,802</b>
<b>Total equity</b>	<b>148,104,259</b>	<b>140,408,410</b>
<b>Gearing ratio</b>	<b>1.12</b>	<b>0.93</b>

## b) Fair value measurement

## (a) Financial assets

Particulars	As at March 31, 2019 ₹		As at March 31, 2018 ₹	
	Carrying value	Fair value	Carrying value	Fair value
<b>(i) Measured at amortised cost</b>				
Trade receivables	86,733,450	86,733,450	86,293,069	86,293,069
Cash and cash equivalents	1,209,907	1,209,907	1,674,733	1,674,733
Bank balances other than cash and cash equivalents	-	-	-	-
Other financial assets	1,450,625	1,450,625	1,442,991	1,442,991
Non-current investments	-	-	-	-
<b>Total financial assets at amortised costs (A)</b>	<b>89,393,982</b>	<b>89,393,982</b>	<b>89,410,793</b>	<b>89,410,793</b>
<b>(ii) Measured at fair value through other comprehensive income</b>				
Non-current Investments	-	-	-	-
<b>Total financial assets at fair value through other comprehensive income (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total financial assets</b>	<b>89,393,982</b>	<b>89,393,982</b>	<b>89,410,793</b>	<b>89,410,793</b>

## (b) Financial assets

Particulars	As at March 31, 2019 ₹		As at March 31, 2018 ₹	
	Carrying value	Fair value	Carrying value	Fair value
<b>(i) Measured at amortised cost</b>				
Long term borrowings #	63,755,220	63,755,220	66,909,807	66,909,807
Short term Borrowings	103,349,952	103,349,952	65,711,728	65,711,728
Trade payables	43,968,708	43,968,708	56,750,026	56,750,026
Other financial liabilities	-	-	-	-
<b>Total financial assets</b>	<b>211,073,880</b>	<b>211,073,880</b>	<b>189,371,561</b>	<b>189,371,561</b>

# includes current maturities of long term debt

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties in an orderly market transaction, other than in a forced or liquidation sale.

**Fair value hierarchy**

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

c) **Financial risk management**

These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company seeks to minimise the effects of these risks by using derivative financial instruments, credit limit to exposures, etc., to hedge risk exposures.

The Company's risk management is carried out by senior management team. The risk management includes identification, evaluation and identifying the best possible option to reduce such risk.

(i) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

**Foreign currency risk management**

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD, GBP, SGD and EURO. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

**Foreign currency exposure**

Currency	Receivable	
	As at March 31, 2019	As at March 31, 2018
USD	289,294	353,885
EURO	-	27,953
SGD	141,113	115,205
GBP	495,914	460,069
YEN	-	-
<b>Total</b>	<b>926,321</b>	<b>957,112</b>

Currency	Payable	
	As at March 31, 2019	As at March 31, 2018
USD	115,628	72,378
EURO	35,185	164,801
SGD	-	-
GBP	-	-
YEN	-	3,889
<b>Total</b>	<b>150,813</b>	<b>241,068</b>

Currency	Net receivable/(payable)	
	As at March 31, 2019	As at March 31, 2018
USD	173,666	281,507
EURO	(35,185)	(136,848)
SGD	141,113	115,205
GBP	495,914	460,069
YEN	-	(3,889)
<b>Total</b>	<b>775,508</b>	<b>716,044</b>

**Foreign currency sensitivity**

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities on account of reasonably possible change in USD, GBP and EURO exchange rates (with all other variables held constant) will be as under:

(Amount in ₹)

Currency	Impact on profit increase/decrease	
	As at March 31, 2019	As at March 31, 2018
INR/USD Increase by 5%	603,524	915,518
INR/USD Decrease by 5%	(603,524)	(915,518)
INR/EURO Increase by 5%	(137,303)	(552,591)
INR/EURO Decrease by 5%	137,303	552,591
INR/SGD Increase by 5%	361,375	286,083
INR/SGD Decrease by 5%	(361,375)	(286,083)
INR/GBP Increase by 5%	2,261,417	2,122,296
INR/GBP Decrease by 5%	(2,261,417)	(2,122,296)
INR/YEN Increase by 5%	-	(11,931)
INR/YEN Decrease by 5%	-	11,931

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

The following table provides a break-up of the Company's fixed and floating rate borrowings: -

(Amount in ₹)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Fixed rate borrowings	63,755,220	66,909,807
Floating rate borrowings	103,349,952	65,711,728
<b>Total borrowings</b>	<b>167,105,172</b>	<b>132,621,535</b>

**(iii) Liquidity risk management**

Liquidity risk refers to the risk of financial distress or high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Maturity profile of financial liabilities:**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

(Amount in ₹)

As at March 31, 2019	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial liabilities</b>				
Long term borrowings	-	-	63,755,220	63,755,220
Short term borrowings	103,349,952	-	-	103,349,952
Current maturities of long term debt	-	-	-	-
Trade payables	43,968,708	-	-	43,968,708
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>147,318,660</b>	<b>-</b>	<b>63,755,220</b>	<b>211,073,880</b>

As at March 31, 2018	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial liabilities</b>				
Long term borrowings	-	-	66,909,807	66,909,807
Short term borrowings	65,711,728	-	-	65,711,728
Current maturities of long term debt	-	-	-	-
Trade payables	56,750,026	-	-	56,750,026
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>122,461,754</b>	<b>-</b>	<b>66,909,807</b>	<b>189,371,561</b>

**(iv) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

(Amount in ₹)

Particulars	Neither impaired nor due	Upto 1 years	Total
<b>As at March 31, 2019</b>			
Trade receivables	86,733,450	-	<b>86,733,450</b>
<b>As at March 31, 2018</b>			
Trade receivables	85,040,145	1,252,924	<b>86,293,069</b>

Note : Trade receivables are net of provision for doubtful debt and bills discounted.

- 34** Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year's classification. see accompanying notes to the financial statement 1 to 34.

As per our Report of Even Date

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Vardhman Doogar**  
Partner  
M.No. 517347

**Place:** Ahmedabad  
**Date :** 27<sup>th</sup> May, 2019

**For and on behalf of the Board of Directors**

**Shyam Sunder Tibrewal** Chairman  
(DIN : 00500621)

**Pooja Tikmani** Director  
(DIN : 06944249)

**Rishi Tikmani** Director  
(DIN : 00638644)

**Himadri Trivedi** Company secretary

**Hansraj Sekhani** Chief Finance Officer

ALFA ICA (INDIA) LIMITED

CIN: L20100GJ1991PLC016763

Regd.Office:1-4, Uma Industrial Estate, Village Vasana- Iyawa, Tal. Sanand, Dist. Ahmedabad, Gujarat-382 110

Email:info@alfaica.com Website: www.alfaica.com

28th Annual General Meeting- Friday September 06, 2019

ATTENDANCE SLIP

Folio No./DP ID and Client ID: \_\_\_\_\_ No. of Shares: \_\_\_\_\_

Name and address of First/Sole Member: \_\_\_\_\_
I, hereby record my presence at the 28th Annual General Meeting of the Company to be held on Friday September 06, 2019at 4.00 p.m. at the Registered office of the Company 1-4, Uma Industrial Estate, Iyawa, Sanand, Ahmedabad – 382 110.

Name of Member/Proxy (Block Letters)

Signature of Member/Proxy

Notes:

- A member/proxy wishing to attend the Meeting must complete this Attendance Slip before coming to the Meeting and handit over at the entrance.
Please bring your copy of the Annual Report to theMeeting.

ALFA ICA (INDIA) LIMITED

CIN: L20100GJ1991PLC016763

Regd.Office:1-4, Uma Industrial Estate, Village Vasana- Iyawa, Tal. Sanand, Dist. Ahmedabad, Gujarat-382 110

Email:info@alfaica.com Website: www.alfaica.com

Form No. MGT-11 Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

28th Annual General Meeting- Friday September 06, 2019

Name of the Member(s) : \_\_\_\_\_

E-mail id : \_\_\_\_\_

Registered address : \_\_\_\_\_

Folio No. / Client ID No. : \_\_\_\_\_

DP ID : \_\_\_\_\_

I/We, being the member (s) holding \_\_\_\_\_ shares of the ALFA ICA (INDIA) LIMITED, hereby appoint

- 1. Name : \_\_\_\_\_
Address : \_\_\_\_\_
E-mail id : \_\_\_\_\_
Signature : \_\_\_\_\_ or failing him/her
2. Name : \_\_\_\_\_
Address : \_\_\_\_\_
E-mail id : \_\_\_\_\_
Signature : \_\_\_\_\_ or failing him/her
3. Name : \_\_\_\_\_
Address : \_\_\_\_\_
E-mail id : \_\_\_\_\_
Signature : \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual general meeting of the company, to be held on Friday September 06, 2019 at 4.00 P.M. at 1-4, Uma Industrial Estate, Village Vasana - Iyawa, Tal. Sanand, Dist. Ahmedabad, Gujarat - 382 110 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject matter of the resolution	Optional*	
		For	Against
<b>Ordinary Business:</b>			
1	To receive, consider and adopt the financial statements of the Company including the Audited Balance Sheet as on March 31, 2019, the Statement of Profit and Loss and the Cash flow statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company.		
2	To declare final dividend on the Equity Shares for the Financial Year ended on March 31, 2019.		
3	To appoint a Director, Mr. Rishi Tikmani (DIN:00638644), who retires by rotation and being eligible, offers herself for re-appointment		
<b>Special Business</b>			
4	To approve the re-appointment of Mr. Shyam Sunder Tibrewal (DIN: 00500621), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:		
5	To approve the re-appointment of Mr. Inder Chand Nahta (DIN: 03565091), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:		
6	To approve the re-appointment of Mr. Sanjeev Kumar Sharma (DIN: 00835187), as an Independent Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:		

Signed this ..... day of ..... 2019

Affix ₹1/- revenue stamp
-----------------------------------

(Signature of the member/ Proxy)

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- \*2. This is only optional. Please put a '✓' in appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



*If undelivered please return to :*

**ALFA ICA (INDIA) LIMITED**

CIN: L20100GJ1991PLC016763

*Regd. Office:*1-4, Uma Industrial Estate, Village Vasana- Iyawa, Tal. Sanand, Dist. Ahmedabad, Gujarat-382 110

Email:[info@alfaica.com](mailto:info@alfaica.com) Website: [www.alfaica.com](http://www.alfaica.com)