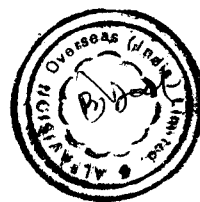


10<sup>th</sup> Annual Report

2003-2004



**ALFAVISION**  
**OVERSEAS (INDIA) LTD.**

**Board of Directors :**

Shri Vishnu Goyal	Managing Director
Shri Suresh Mittal	Director
Smt. Rekha Goyal	Director
Shri Birendra Agrawal	Director

**Bankers :**

State Bank of Indore  
Lakshmi Vilas Bank Ltd., Indore

**Auditors :**

**Vishal P. Jain & Company,**  
Chartered Accountants  
Balaji Marg, Biaora (Dist. Rajgarh)

**Registered Office :**

**"Goyal House",**  
81, Janki Nagar, Main,  
Indore - 452 001

**Share Transfer Agent :**

**Intime Spectrum Registry Limited**  
307, City Center,  
570, M.G.Road, Indore  
PH. 0731-2544512

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 10<sup>th</sup> Annual General Meeting of the members of **ALFAVISION OVERSEAS (INDIA) LIMITED** will be held on Thursday, the 30<sup>th</sup> December, 2004 At 11.00 A.M. at the Registered Office of the Company situated at "Goyal House" 81, Janki Nagar Main, Indore to transact the following business :

### **ORDINARY BUSINESSES :**

1. To receive, consider and adopt the Audited Balance Sheet as at 30<sup>th</sup> June, 2004 and the profit & Loss Account for the year ended on same date and the Reports of Board of Directors & Auditors thereon.
2. To appoint director in place of Smt. Rekha Goyal , who retires by rotation and being eligible offer herself for reappointment.
3. To appoint auditor and fix their remuneration.

### **SPECIAL BUSINESS :**

4. To consider and if, thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :

"RESOLVED THAT subject to the provisions of section 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 read with schedule XIII thereof amended up to date the approval of members be and is hereby accorded to reappoint Mr. Vishnu Prasad Goyal as Managing Director of the Company for the period of further five years with effect from 10<sup>th</sup> September, 2004 on following terms and condition:

- a) Salary: Rs. 50000/- (Rupees Fifty Thousand only) per month.
- b) Perquisites: In addition to the above salary Mr. Vishnu Prasad Goyal shall also entitled to the perquisites (evaluated as per Income Tax Rules wherever applicable and at actual cost to the company in other cases) like benefits of furnished accommodation/House Rent allowance with gardner and security gaurd, gas, electricity, water and furnishings, chauffeur driven car and telephone at residence, medical reimbursement, personal accident insurance, leave and leave travel concession, club fees, provident fund, superannuation fund, exgratia & gratuity in accordance with the scheme(s) and rule(s) applicable to the members of the staff or any modification(s) that may be made in any scheme/rule for the aforesaid benefits, however perquisites shall be restricted to 30% of the annual salary.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the board of directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, for this purpose."

Place : INDORE

Date : 24/11/2004

By Order of the Board.

For **Alfavision Overseas (India) Limited**

**(VISHNU GOYAL)**

**Managing Director**

## NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company. The proxies in order to valid must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Register of the members and share transfer book of the company will be remain closed from Monday, the 27<sup>th</sup> December 2004 to Thursday, 30<sup>th</sup> December 2004 (both days inclusive) in terms of section 154 of the Companies Act, 1956.
3. The Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of the special business set out in the Notice is annexed hereto.
4. Members are requested to send their queries, if any at least 10 days in advance so that the information can be made available at the meeting and to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
5. SEBI has notified for compulsory trading of shares of the Company in demat form so members, who have not dematerialised their shares are advised to contact Depository Participant in this regard.
6. All Documents referred to in the accompanying notice and explanatory statement, are open for inspection at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of meeting.
7. Pursuant to the recommendation of SEBI Committee on Corporate Governance for reappointment of the Directors and retiring directors, and statement details of the concerned director also. Smt. Rekha Goyal is 36 years old and having knowledge of cultivation and she is Director in two other Companies.

Place : INDORE

Date : 24/11/2004

By Order of the Board.

For **Alfavision Overseas (India) Limited**

**(VISHNU GOYAL)**  
**Managing Director**

## **Explanatory Statement**

pursuant to section 173(2) of the Companies Act, 1956

### **Item No.4**

In view of the expansion of the activities of the company in the area of cultivation of herbal medicinal and having wide experience in said field by shri V.P.Goyal, it is proposed to reappoint him as Managing Director of the company. The Board of Directors of the company at their meeting held on 10<sup>th</sup> September 2004 have accorded their approval for his re-appointment as the Managing Director of the company for further five years w.e.f. 10<sup>th</sup> September 2004.

In terms of provisions of section 269 and schedule XIII of the Companies Act, 1956 the approval of members of the company is being sought for his re-appointment as the Managing Director of the company.

Yours Board of Directors felt that continuation as Managing Director on the Board will be highly beneficial to the company and recommend the adoption of the resolution proposed under this item.

In terms of section 302 of the Companies Act, 1956 explanatory statement is treated as an abstract of memorandum for re-appointment of Shri Vishnu Prasad Goyal as Managing Director.

None of the Director of the Company is concerned or interested in the proposed Resolution except praposed appointee.

Place : INDORE

Date : 24/11/2004

By Order of the Board.

For **Alfavision Overseas (India) Limited**

**(VISHNU GOYAL)**  
**Managing Director**

## **DIRECTOR'S REPORT**

Dear Members,

Your Directors hereby present the Tenth Annual Report of the Company together with the Audited Accounts for the year ended 30<sup>th</sup> June, 2004.

### **FINANCIAL RESULTS :**

	<b>Year ended 30.06.2004</b>	<b>Year ended 30.06.2003</b>
Income from Operation	57,13,533	8,91,848
Total Expenditure	39,97,037	7,66,534
Profit before depreciation	17,16,496	1,25,314
Depreciation	61,219	78,334
Profit/Loss before tax	16,55,277	46,980
Provision for Deferred Tax Assets	7,923	10,521
Balance Carried to Balance Sheet	16,63,200	57,501
Paid up Equity Share Capital	3,15,26,000	3,15,26,000
Reserves	32,26,851	16,13,926

### **DIVIDEND**

To, conserve the resources of company, Directors have thought it prudent to withheld declaration of dividend for the year under review.

### **PUBLIC DEPOSIT**

During the period the company did not invite public deposits within the meaning of section 58A of the companies Act, 1956 and rules made thereunder.

### **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Smt. Rekha Goyal retires by rotation at the forthcoming Annual General Meeting, and being eligible, offer herself for re-appointment.

During the year Shri V.P. Goyal was Re-appointed as Managing Director of the Company subject to your approval.

## **DIRECTOR'S RESPONSIBILITIES STATEMENT.**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility statement, it is hereby confirmed:

- i) that in the preparation of the annual accounts for financial year ended 30th June, 2004, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the year and review.
- iii) that the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that the Directors have prepared the annual accounts on a going concern basis.

## **AUDITORS**

The Auditors **M/s Vishal P. Jain & Company**, Chartered Accountants, statutory Auditors of the company, retire and being eligible, offer themselves for re-appointment.

## **AUDITOR'S REPORT**

The Report of Auditors of the Company for the year under reference is self explanatory and do not call for any comments from the Directors.

## **DISCLOSURE OF SPECIAL PARTICULARS**

As per requirement of section 217(1) of the Companies Act, 1956 Company has no substantial Consumption of energy. However management ensures that all possible measures are taken to conserve including identification of potential areas of saving energy. Further there was neither inflow nor outflow of foreign exchange during the period.

## **PARTICULARS OF THE EMPLOYEE**

There was no employee during the period drawing remuneration attracting provisions of section 217 (2A) of the companies Act, read with the companies (particulars of Employees) Rules 1975.

## **DEPOSITORY SYSTEM**

Your Company's shares are tradable compulsory in electronic form and your Company have connectivity with both the Depositories i.e National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited(CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of Depositories as aforesaid.

## **CORPORATE GOVERNANCE**

A Report on the corporate Governance code along with a certificate from the Auditors of the Company regarding the compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement as also the Management Discussion and Analysis Report are annexed to this report.

## **ACKNOWLEDGEMENTS**

The Directors wish to place on record their appreciation for the devoted services rendered by the staff members of the Company. Your Company & Directors wish to extend sincere thanks to the Banks with all the Shareholders of the Company for extending their sincere support and services.

Place : INDORE

Dated : 24.11.2004

for and on behalf of the Board

For **Alfavision Overseas (India) Limited**

**(VISHNU GOYAL)**

**Managing Director**



# **MANAGEMENT DISCUSSION AND ANALYSIS REPORT.**

## **INDUSTRY STRUCTURE.**

Your Company is also engaged in the business of cultivation and herbal medicinal. Now this herbal market has also been recognized internationally which is quite evident from the fact that it is being used to cure any type of physical weakness and making good health.

The Company has undertaken project of herbal farming with scientific techniques and professional consultation to maximize yield. Company has implemented integrated project for farming, processing and storage of herbal crops on large scale. The company has its own land admeasuring around 24 acres and the entire land is earmarked for the purpose of farming of medicinal plant.

Safed musli, Kalahari, Ashwagandha, Surpgandha etc. are important herbal ingredients, has its recognition in national and inter-national market. The increase in demand of these ingredients has not been met by the existing level of production. Till now the same were found only in forest, but due to large scale of deforestation the production has drastically suffered. Thus to meet out the shortfall commercial production with scientific techniques can fetch out marginal profits.

## **BUSINESS STRATEGY.**

Your company had always endeavored to optimize Shareholder value.

## **INTERNAL CONTROL AND ADEQUACY**

The Company has adopted good internal control systems, the adequacy of which has been reported by its Auditors in their report as required under the Companies (Auditors Report) Order, 2003.

## **MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATION**

There has been no material development on the Human Resources/ industrial Relation front during the year. Employee relation at all level continues to remain cordial.

## **FINANCIAL REVIEW, ANALYSIS AND OUTLOOK.**

In spite of limited scale of operations the Company have achieved higher net profit of Rs. 16,55,277/- in comparison to previous year's net profit of Rs. 46,980/- and management are hopeful to continue the same.

## **CAUTIONARY STATEMENT.**

Statements in this "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions are forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied depending on various factors.

## **REPORT ON CORPORATE GOVERNANCE**

In Compliance with clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and practices as followed by the Company.

## 1. COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

Alfavision Overseas (India) Limited has been practicing of good corporate governance over the years. The Board of Directors supports the broad principle of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

## 2. BOARD OF DIRECTORS

### A. The Board of Directors together with their other details

During the year 2003-2004 the Board met seven times i.e. 31.07.2003, 26.08.2003, 31.10.2003, 24.11.2003, 31.01.2004, 31.3.2004, 30.04.2004, The last Annual General Meeting was held on 31<sup>st</sup> December 2003. The gap between any two meetings did not exceed four months as mandated in clause 49. The dates of meeting were generally decided in advance. Key information is placed before the board.

The following table gives details of Directors, attendance of directors at the board meeting and at the last annual general meeting.

Name of Directors	Category of Directors	No. of Board Meetings Attended	Attendance at The last AGM
Shri Vinsnu Goyal	Managing director	5	Yes
Smt. Rekha Goyal	NED	5	Yes
Shri Suresh Mittal	ID	4	No
Shri Birendra Agrawal	NED	2	No

NED —Non-Executive Director

MD- Managing Director

ID- Independent Director

Number of membership held by directors in the board/committees of various companies :-

Name of Director	No. Of Directorships in other Boards *	No. of Membership In other Board Committees #	No. of Chairmanships In other Board Committees #
Shri Vinsnu Goyal	2	-	2
Smt. Rekha Goyal	2	-	-
Shri Suresh Mittal	1	-	-
Shri Birendra Agrawal	-	-	-

\* Directorships in Private Limited Companies are also included in the above table.

# Memberships in Audit Committees/ Shareholders' Grievance Committee/ Remuneration Committee of all public limited companies have been considered.

None of the Directors is a member in more than ten Committees and acts as a chairman in more than five committees across all companies in which he is a director.

## **B. BOARD PROCEDURE**

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the chairman briefs the Board at every meeting on the overall company performance.

## **C. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS.**

There have been no materially significant related party transactions, pecuniary transactions or relationship between Alfavision Overseas (India) Limited and its directors for year ended 30<sup>th</sup> June 2004.

## **D. REMUNERATION OF DIRECTORS : SITING FEES, SALARY, PERQUISITES AND COMMISSION**

Remuneration paid to only Managing Director of the Company

<b>Name of Director</b>	<b>Sitting fee on profit</b>	<b>Commission allowance</b>	<b>Salary &amp; of PF</b>	<b>Contribution</b>	<b>Perquisites</b>	<b>Total</b>
Shri Vishnu Goyal	-	-	6000/- P.M.	-	-	6000/- P.M.

## **3. AUDIT COMMITTEE**

The Audit Committee constituted by the Board of directors consists of three Non executive Directors namely, Shri Suresh Mittal, Smt. Rekha Goyal and Shri Beerendra Agrawal as on financial year ending on 30<sup>th</sup> June, 2004. The constitution of Audit Committee also meets with the requirement of section 292A of the Companies Act, 1956 as introduced by the Companies (Amendment) Act, 2000.

Audit Committee Meeting were held on 31<sup>st</sup> July, 2003, 24<sup>th</sup> November, 2003 and 31<sup>st</sup> January, 2004, during the period from 1<sup>st</sup> July, 2003 to 30<sup>th</sup> June, 2004

### **Terms of Reference :**

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Agreement and the Companies Act, 1956. Brief description of terms of reference:

- i) Review with the Management the annual/half yearly/ quarterly financial statements.
- ii) Hold separate discussion with Head-internal Audit, Statutory Auditors and among members of the Audit Committee to find out whether the Company's financial statements are fairly presented in conformity with the Accounting Standards issued by ICAI.
- iii) Review the Company's financial and risk management policies and the adequacy of internal control systems.

- iv) Review the adequacy of accounting records maintained in accordance with the provisions of the Companies Act, 1956.
- v) Review the performance of Statutory Auditors and recommend their appointment and remuneration to the Board, considering their independence and effectiveness.
- vi) Perform other activities consistent with Company's Memorandum and Articles, the Companies Act, 1956 and other Governing Laws.

#### **4. REMUNERATION COMMITTEE**

The Remuneration Committee comprises of Shri Suresh Mittal, Smt. Rekha Goyal and Shri Beerendra Agrawal all non-executive directors with Shri Suresh Mittal its Chairman.

#### **5. SHAREHOLDER'S/ INVESTOR'S GRIEVANCE COMMITTEE**

The Committee comprises of Shri Suresh Mittal, Smt. Rekha Goyal and Shri Beerendra Agrawal. The Committee looks into redressing of shareholder's/ investor's complaint like transfer of shares, non-receipt of balance sheet etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement of the quality of investor services. The Board of Directors has delegated power for approving transfer of securities to the Directors.

The Share transfer & Investor Grievance Committee meet time to time.

#### **6. GENERAL SHAREHOLDER INFORMATION**

##### **General Body Meeting :**

<b>Financial Year.</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
Annual General Meeting 2000-2001	31.12.2001	11.00 A.M.	Goyal House, 81 Janki Nagar main, Indore (M.P.)
Annual General Meeting 2001-2002	31.12.2002	11.00 A.M.	Goyal House, 81 Janki Nagar main, Indore (M.P.)
Annual General Meeting 2002-2003	31.12.2003	11.00 A.M.	Goyal House, 81 Janki Nagar main, Indore (M.P.)

No Special Resolution was put through postal Ballot in the last AGM nor is any proposed for this year.

AGM : Date, Time and Venue	30 <sup>th</sup> December, 2004 at 11.00 A.M. at Goyal House, 81 Janki Nagar main, Indore (M.P.)
Financial reporting for 2004-05 : 1st Quarter ending 30 <sup>th</sup> September, 2004 2nd Quarter ending 31 <sup>st</sup> December 2004 3rd Quarter ending 31 <sup>st</sup> March, 2005 4th Quarter ending 30 <sup>th</sup> June, 2005	End of October, 2004 End of January, 2005 End of April, 2005 End of July, 2005
Date of Book Closure	27 <sup>th</sup> December to 30 <sup>th</sup> December, 2004 [both days inclusive]
Listing on Stock Exchanges	1. The Stock Exchange, Mumbai 2. The M.P. Stock Exchange, Indore The Company has paid Listing fees.
Stock Code -Physical ISIN Number of NSDL & CDSL	Mumbai Stock Exchange 531156 M.P. Stock Exchange, Indore : NIL
Market Price Date: High, Low during each month in last financial year	As per Annexure A
Dematerialization of Shares	The Shares of the Company are compulsorily traded in dematerialized form under deposi- tory system of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL)  Total 26% Equity Shares of the Company has Dematerialised.  Company's Electronic Connectivity Registrar is : Intime Spectrum Registry Ltd. 307, City Center, 570, M.G.Road, Indore (M.P.) PH: 0731-2544512  International securities & Identification Number is <b>INE88B01019</b>
Registrar and Transfer Agents	Intime Spectrum Registry Ltd. 307, City Center, 570, M.G.Road, Indore (M.P.) PH: 0731-2544512 Email : indore@intimespectrum.com
Share Transfer System	All the transfer received are processed by the Registrar and transfer Agent and approved by the Share Transfer Committee of the Company.

Distribution of shareholding and Share holding pattern as on 30.06.2004	Please see Annexure 'B'
Dividend Payment for F.Y.2003-2004	Nil
Outstanding GDRs/ADRs/Warrants Or any convertible instruments, Conversion date and likely impact on equity	Not issued
Address for correspondence	"Goyal House" 81, janki Nagar Main, Indore (M.P.) Or may contact with Registrar & Transfer Agent.

## MEANS OF COMMUNICATION

Quarterly results are published in two prominent daily newspapers in English and Hindi. The annual reports are posted to every shareholder of the Company.

## Auditor Certificate on Corporate Governance

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the Director's Report for the year 2003-2004. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

## ANNEXURE "A"

Month	Monthly High (In Rs.)	Monthly Low (In Rs.)
July, 2003	7.00	2.20
August, 2003	9.34	4.80
September, 2003	9.40	3.50
October, 2003	6.05	2.51
November, 2003	7.35	4.01
December, 2003	3.70	2.15
January, 2004	9.48	4.44
February, 2004	9.75	5.40
March, 2004	8.40	4.15
April, 2004	8.00	4.56
May, 2004	9.00	2.99
June, 2004	4.31	3.10

**ANNEXURE "B"**

SHAREHOLDING PATTERN AS AT 30<sup>TH</sup> JUNE 2004 [SHAREHOLDING PATTERN]

S. No.	Category	No. of Shares	Percentage of Shareholding
1.	<b>A. Promoter's holding</b> Promoters		
	Indian Promoters	653290	20.73
	Foreign Promoters	-	-
2.	Person acting in concert	NIL	NIL
	<b>Sub- Total</b>	653290	20.73
3.	<b>B. NON-PROMOTERS HOLDING</b> Institutional Investor	NIL	NIL
	a. Mutual Funds and UTI	NIL	NIL
	b. Banking, Financial Institutional/ Insurance Companies	NIL	NIL
	(Central/ State Government. Institutions)	NIL	NIL
	c. FIIs	NIL	NIL
	<b>Sub- Total</b>	NIL	NIL
4	Others		
	a. Private Corporate Bodies	1736082	55.07
	b. Indian Public	749528	23.77
	c. NRI	13700	0.43
	d. Any other (Specify)	NIL	NIL
	<b>Sub-Total</b>	2499310	79.27
	<b>Grand Total</b>	<b>3152600</b>	<b>100.00</b>

**DISTRIBUTION OF HOLDING**

Share or Debenture holding of nominal value		Shares/Debenture holders		Shares/Debentures Amount	
Rs.	Rs.	Number	% to Total	Rs.	% of Total Amount.
Upto-1000		1171	89.59	3227350	10.24
1001-5000		88	6.73	1938340	6.15
5001-10000		18	1.38	1342270	4.26
10000 and above		30	2.30	25018040	79.35
<b>Total</b>		<b>1307</b>	<b>100</b>	<b>31526000</b>	<b>100</b>

# **CERTIFICATE**

To the Members of

## **ALFAVISION OVERSEAS (INDIA) LIMITED.**

We have examined the Compliance of conditions of Corporate Governance by M/s Alfavision Overseas (India) Limited for the year ended 30<sup>th</sup> June, 2004 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance to the extent as detailed in their report, as stipulated in clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : INDORE  
Date : 24.11.2004

For **Vishal P. Jain & Co.**  
Chartered Accountants

**( Vishal Jain )**  
Proprietor



## **AUDITOR'S REPORT**

To,  
The Members  
ALFAVISION OVERSEAS (INDIA) LTD., INDORE

We have audited the attached Balance Sheet of ALFAVISION OVERSEAS (INDIA) LTD., having its registered office at 81, Janki Nagar main, Indore, as at 30<sup>th</sup> June 2004, the profit for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - iii. The balance sheet and profit and loss account dealt with by this report are in agreement with the books of account.
  - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v. On the basis of written representations received from the directors, as on 30<sup>th</sup> June 2004 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30<sup>th</sup> June 2004 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - a) In the case of the balance sheet, of the state of affairs of the company as at 30<sup>th</sup> June, 2004 and
    - b) In the case of the profit and loss account, of the profit/loss for the year ended on that date and
    - c) In the case of the cash flow statement, of the cash flow for the year ended on that date.

Place : INDORE  
Date : 24.11.2004

For **Vishal P. Jain & Co.**  
Chartered Accountants

( Vishal Jain )  
Proprietor

## **ANNEXURE TO AUDITOR'S REPORT**

Annexure referred to in Paragraph 3 of the Report of even date of the Auditors to the Members of ALFAVISION OVERSEAS (INDIA) LTD. on the Financial Statements for the year ended 30<sup>th</sup> June 2004.

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.  
(c) During the year, the company has not disposed off any assets according to the information and explanations given to us.
2. (a) As explained to us, the stock of finished goods i.e. investment in shares have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.  
(b) In our opinion & according to the information & explanations given to us, the procedures of physical verification of stocks i.e. investment in shares followed by the management are reasonable & adequate in relation to the size of the company and the nature of its business.
3. (a) The Company has not taken unsecured loan from parties covered in the register maintained under section 301 of the act.  
(b) The company has granted loan to the parties / firm/ companies in the register maintained under section 301 of the Act. Total number of such parties are four having outstanding of Rs.47,87,312/-  
(c) The above loan granted to the parties are interest free except one. Terms & conditions and rate of interest are not prima-facie prejudicial to the interest of company.  
(d) The repayment of the above loans shall be made on demand by the parties.  
(e) As explained to us, in case overdue amount exceeds one lakhs reasonable steps have been taken by the company for payment of the principal.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of shares, fixed assets and for the sale of shares. Further, on the basis of our examination of the books and records of the company, and according to the explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5. (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register maintained under section 301 of the Act, have been so entered.  
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act, and exceeding the value of five lac rupees in respect of any party during the year have been made at prices the terms of which are reasonable having regard to the market prices prevailing at the relevant time, based on prices charged to others for similar goods.

6. The company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the company Act, 1956 during the year.
7. In our opinion & according to explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
8. As informed to us, no cost accounting records have been prescribed for the company under section 209 (1)(d) of the companies Act 1956
9. According to the information and explanations given to us and the records of the company examined by us, the company is generally regular in depositing undisputed statutory dues including income tax, sales tax and other material statutory dues as applicable, with the appropriate authorities. As at 30<sup>th</sup> June, 2004 there were no arrears in respect of the afore-said dues for a period of more than six months from the date they became payable.
10. The Company has no accumulated losses as at 30<sup>th</sup> June 2004 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to the bank.
12. According to the information and explanations given to us, the company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. In our opinion & according to explanation given to us, the company maintained records regarding transactions & contracts of shares, securities, debentures and other investments. All the shares purchased during the year are in the company's own name.
15. In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for the loans taken by others from banks or financial institutions during the year.
16. The company has not obtained any term loan at any time during the year.
17. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investment; no funds raised on long-term basis have been used to finance short-term investments during the year.
18. The company has not made any preferential allotment during the year.
19. The company has not issued any debentures during the year and accordingly the question of creation of securities in this regard does not arise.
20. The company has not raised any money by public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

Place : INDORE  
Date : 24.11.2004

For **Vishal P. Jain & Co.**  
Chartered Accountants

( **Vishal Jain** )  
Proprietor

**ALFAVISION OVERSEAS (INDIA) LTD.**  
**BALANCE SHEET AS ON 30.06.2004**

PARTICULARS	SCH. No.	Current Year 30.06.2004 (Rs.)	Previous Year 30.06.2003 (Rs.)
<b>I. SOURCES OF FUNDS</b>			
(1) SHAREHOLDERS FUND			
(a) SHARE CAPITAL	A	31526000.00	31526000.00
(b) RESERVE & SURPLUS	B	3226851.18	1613926.15
(2) DEFFERED TAX LIABILITY	C	43843.00	43843.00
(3) LOANS FUND			
UNSECURED LOAN	D	0.00	727052.00
<b>TOTAL</b>		<b>34796694.18</b>	<b>33910821.15</b>
<b>II. APPLICATION OF FUNDS</b>			
(1) FIXED ASSETS			
(a) GROSS BLOCK	E	975283.00	975283.00
(b) LESS : DEPRECIATION		430102.98	368883.94
(c) NET BLOCK		545180.02	606399.06
(2) INVESTMENT	F	4483148.70	4483148.70
(3) DEFFERED TAX ASSETS	G	18444.00	10521.00
<b>TOTAL</b>		<b>5046772.72</b>	<b>5100068.76</b>
(4) CURRENT ASSETS AND LOANS & ADVANCES			
(a) SUNDRY DEPOSITS	H	401087.00	401087.00
(b) OTHER ASSETS	I	343689.00	722394.00
(c) INVENTORIES	J	268880.00	268880.00
(d) SUNDRY DEBTORS	K	4715036.00	1109038.00
(e) PREPAID EXPENSES		7500.00	0.00
(f) CASH & BANK BALANCE	L	3793075.53	434878.53
(g) LOANS & ADVANCES	M	25193424.43	26823710.36
<b>TOTAL</b>		<b>35322691.96</b>	<b>29759987.89</b>
LESS : CURRENT LIABILITIES & PROVISIONS			
(a) CURRENT LIABILITIES	N	3243554.49	1294926.49
(b) SECURITY DEPOSIT		2500000.00	0.00
(c) PROVISIONS		3306.00	2500.00
<b>TOTAL</b>		<b>5746860.49</b>	<b>1297426.49</b>
NET CURRENT ASSETS		29575831.47	28462561.40
MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED	O	174090.00	348191.00
<b>TOTAL</b>		<b>34796694.18</b>	<b>33910821.15</b>

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE  
For **VISHAL P. JAIN & CO.**  
Chartered Accountants

( **VISHNU GOYAL** )  
Managing Director

( **REKHA GOYAL** )  
Director

Place : INDORE  
Dated : 24/11/2004

( **VISHAL JAIN** )  
Proprietor

# **ALFAVISION OVERSEAS (INDIA) LTD.**

## **PROFIT & LOSS ACCOUNT**

( FOR THE YEAR ENDED ON 30.06.2004 )

<b>PARTICULARS</b>	<b>Sch.</b>	<b>30.06.2004</b>	<b>30.06.2003</b>
<b>INCOMES :</b>			
SALE OF AGRICULTURAL PRODUCE		48,20,160.00	2,39,990.00
OTHER INCOME		8,93,373.00	6,51,858.00
		<b>57,13,533.00</b>	<b>8,91,848.00</b>
<b>EXPENSES :</b>			
AGRICULTURAL EXPENSES	<b>P</b>	31,25,267.00	26,868.00
ADMINISTRATIVE	<b>Q</b>	6,97,668.93	5,65,564.42
DEPRECIATION (SH. WITH B/S)	<b>E</b>	61,219.04	78,333.95
PRELIMINARY EXPENSES W/OFF	<b>R</b>	1,74,101.00	1,74,101.00
		<b>40,58,255.97</b>	<b>8,44,867.37</b>
PROFIT (LOSS) FOR THE YEAR BEFORE TAX		16,55,277.03	46,980.63
LESS : PROVISION FOR INCOME TAX		0.00	0.00
ADD : DEFFERED TAX ASSETS		7,923.00	10,521.00
PROFIT AFTER DEFFERED TAX		1,663,200.03	57,501.63
LESS: PAST YEAR ADJUSTMENTS		50,275.00	0.00
		16,12,925.03	57,501.63
<b>BALANCE CARRIED TO BALANCE-SHEET</b>		<b>16,12,925.03</b>	<b>57,501.63</b>

FOR AND ON BEHALF OF THE BOARD

( **VISHNU GOYAL** )  
*Managing Director*

( **REKHA GOYAL** )  
*Director*

Place : INDORE  
Dated : 24/11/2004

AS PER OUR REPORT OF EVEN DATE  
For **VISHAL P. JAIN & CO.**  
*Chartered Accountants*

( **VISHAL JAIN** )  
*Proprietor*

## ALFAVISION OVERSEAS (INDIA) LTD.

### SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE 2004 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 30.06.2004

PARTICULARS	Current Year 30.06.2004 (Rs.)	Previous Year 30.06.2003 (Rs.)
<b>SCHEDULE - A</b>		
<b>SHARE CAPITAL AUTHORISED :</b>		
3500000 EQUITY SHARES OF Rs.10/- EACH ISSUED, SUBSCRIBED & PAID-UP	3,50,00,000.00	3,50,00,000.00
3152600 EQUITY SHARES OF Rs 10/- EACH FULLY PAID UP	3,15,26,000.00	3,15,26,000.00
<b>TOTAL</b>	<b>3,15,26,000.00</b>	<b>3,15,26,000.00</b>
<b>SCHEDULE - B</b>		
<b>RESERVE &amp; SURPLUS :</b>		
OPENING BALANCE	16,13,926.15	16,00,267.52
ADD : SURPLUS FOR THE YEAR	16,12,925.03	57,501.63
LESS : DEFFERED TAX LIABILITY (OP. WDV)	0.00	43,843.00
<b>TOTAL</b>	<b>32,26,851.18</b>	<b>16,13,926.15</b>
<b>SCHEDULE - C</b>		
<b>DEFFERED TAX LIABILITY :</b>		
OPENING BALANCE	43,843.00	0.00
ADD : DEFFERED TAX LIABILITY (OP. WDV)	0.00	43,843.00
<b>TOTAL</b>	<b>43,843.00</b>	<b>43,843.00</b>
<b>SCHEDULE - D</b>		
<b>UNSECURED LOAN :</b>		
	0.00	7,27,052.00
<b>TOTAL</b>	<b>0.00</b>	<b>7,27,052.00</b>
<b>SCHEDULE - F</b>		
<b>INVESTMENT :</b>		
ALFAVISION FIBERS PVT. LTD. (SHARE APP.)	1,750.00	1,750.00
ALFAVISION FIBERS PVT. LTD. (SHARE)	18,57,726.70	18,57,726.70
AMKAY COTTON BULL P.L. (SHARE APP.)	5,86,430.00	5,86,430.00
GOYAL & COMPANY	78,192.00	78,192.00
IVES LEASE & FINANCE LTD. (INVEST.)	18,75,000.00	18,75,000.00
TITUSIND. LTD. (SHARE APPLICATION)	84,050.00	84,050.00
<b>TOTAL</b>	<b>44,83,148.70</b>	<b>44,83,148.70</b>
<b>SCHEDULE - G</b>		
<b>DEFFERED TAX ASSET :</b>		
OPENING BALANCE	10,521.00	0.00
ADD : DEFFERED TAX ASSET FOR THE YEAR	7,923.00	10,521.00
<b>TOTAL</b>	<b>18,444.00</b>	<b>10,521.00</b>

**ALFAVISION OVERSEAS (INDIA) LTD.**

PARTICULARS	Current Year 30.06.2004	Previous Year 30.06.2003
<b>SCHEDULE - H</b>		
<b>SUNDRY DEPOSITS :</b>		
KRISHI UPAJMANDI KARHI	2,000.00	2,000.00
KRISHI UPAJMANDI, KHARGONE	1,000.00	1,000.00
HANK YARN (BURHANPUR TAPTI)	39,368.00	39,368.00
HANK YARN (HIRA MILLS)	71,813.00	71,813.00
KRISHI UPAJ MANDI, DHAMNOD	606.00	606.00
MODI TELE COMMUNICATION LTD.	2,000.00	2,000.00
MPEB INDORE	700.00	700.00
M.P. RAJYA NIGUM, SANAWAD	25,050.00	25,050.00
OFFICE DEPOSIT	2,50,000.00	2,50,000.00
R.P.G CELLULAR	3,000.00	3,000.00
FDR WITH CBI CTO CIRCLE - 1	5,550.00	5,550.00
<b>TOTAL</b>	<b>4,01,087.00</b>	<b>4,01,087.00</b>
<b>SCHEDULE - I</b>		
<b>OTHER ASSETS :</b>		
T.D.S. (03-04)	2,21,295.00	0.00
T.D.S. (02-03)	1,98,110.00	1,98,110.00
T.D.S. (01-02)	1,10,531.00	1,10,531.00
T.D.S. (00-01)	23,664.00	23,664.00
T.D.S. (UP TO 31ST MARCH 2000)	1,45,092.00	1,45,092.00
ACCRUED INTEREST	2,44,997.00	2,44,997.00
<b>TOTAL</b>	<b>9,43,689.00</b>	<b>7,22,394.00</b>
<b>SCHEDULE - J</b>		
<b>INVENTORIES :</b>		
GUJRAT CHAMPIPLAST LTD. (STOCK)	15,000.00	15,000.00
FACTS SECURITIES LTD. ( STOCK)	42,375.00	42,375.00
KOTAWALA SECURITIES LTD. (STOCK)	30,825.00	30,825.00
LOYAD STEEL INDIA LTD. (STOCK)	18,430.00	18,430.00
SHARDA SOLVENT LTD. (STOCK)	24,650.00	24,650.00
STATE BANK OF INDIA (STOCK)	15,150.00	15,150.00
ESSAR GUJRAT LTD. (STOCK)	39,900.00	39,900.00
AKAI IMPEX LTD. (STOCK)	82,550.00	82,550.00
<b>TOTAL</b>	<b>2,68,880.00</b>	<b>2,68,880.00</b>
<b>SCHEDULE - K</b>		
<b>SUNDRY DEBTORS :</b>		
(UNSECURED CONSIDERED GOOD)		
MORE THAN SIX MONTHS	11,59,038.00	11,09,038.00
LESS THAN SIX MONTHS	35,55,998.00	0.00
<b>TOTAL</b>	<b>47,15,036.00</b>	<b>11,09,038.00</b>

**ALFAVISION OVERSEAS (INDIA) LTD.**

PARTICULARS	Current Year 30.06.2004	Previous Year 30.06.2003
<b>SCHEDULE - L</b>		
<b>CASH &amp; BANK BALANCE :</b>		
CASH IN HAND (AS CERTIFIED BY MANAGEMENT)	37,06,580.03	3,56,742.03
STATE BANK OF INDORE (SENDHWA)	17,113.00	16,956.00
STATE BANK OF INDORE (SANYOGITAGANJ)	21,937.00	19,215.00
STATE BANK OF INDORE (DHAMNOD)	15,828.50	15,828.50
PUNJAB & SINDH BANK	3,885.00	3,885.00
ORIENTAL BANK OF COMMERCE	9,231.00	9,231.00
O.B.C., INDORE	4,417.06	4,417.06
LAXMI VILAS BANK	8,183.94	8,603.94
BANK OF BARODA,BHOPAL	5,900.00	0.00
<b>TOTAL</b>	<b>37,93,075.53</b>	<b>4,34,878.53</b>
<b>SCHEDULE - M</b>		
<b>LOANS &amp; ADVANCES :</b>		
(UNSECURED CONSIDERED GOOD)		
PARTNERSHIP WITH NATIONAL HERALD & PLOT	28,00,000.00	28,00,000.00
ADVANCE AGAINST LAND OF M.P. TEXTILE - CORPORATION LTD.	30,00,000.00	30,00,000.00
OTHER LOANS AND ADVANCES	1,93,93,424.43	2,10,23,710.36
<b>TOTAL</b>	<b>2,51,93,424.43</b>	<b>2,68,23,710.36</b>
<b>SCHEDULE - N</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS :</b>		
SUNDRY CREDITORS	32,43,554.49	12,94,926.49
OTHER LIABILITIES	3,306.00	3,240.00
<b>TOTAL</b>	<b>32,46,860.49</b>	<b>12,98,166.49</b>
<b>SCHEDULE - O</b>		
<b>MISCELLANEOUS EXPENSES :</b>		
PRELIMINARY EXPENSES	12,669.00	19,006.00
LESS : WRITTEN OFF	6,337.00	6,337.00
<b>TOTAL (A)</b>	<b>6,332.00</b>	<b>12,669.00</b>
<b>PUBLIC ISSUE EXPENSES :</b>		
LESS : WRITTEN OFF	3,35,522.00	5,03,286.00
	1,67,764.00	1,67,764.00
<b>TOTAL (B)</b>	<b>1,67,758.00</b>	<b>3,35,522.00</b>
<b>TOTAL (A+B)</b>	<b>1,74,090.00</b>	<b>3,48,191.00</b>



## **ALFAVISION OVERSEAS (INDIA) LTD.**

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30TH JUNE 2004 AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 30.06.2004

PARTICULARS	30.06.2004	30.06.2003
<b>SCHEDULE-P</b>		
<b>AGRICULTURAL EXPENSES :</b>		
PLANTING MATERIAL	12,64,162.00	0.00
CULTIVATION EXPENSES	3,62,330.00	0.00
DIESEL & FERTILISERS	4,01,755.00	0.00
PEELING & DRYING OF PRODUCTS	8,01,062.00	0.00
OTHER EXPENSES	2,95,958.00	26,868.00
	<b>31,25,267.00</b>	<b>26,868.00</b>
<b>SCHEDULE-Q</b>		
<b>ADMINISTRATIVE EXPENSES :</b>		
ACCOUNTING CHARGES	58,900.00	55,500.00
REPAIR & MAINT.	12,917.00	26,606.00
ADVERTISEMENT EXP.	1,975.00	9,330.00
BANK CHARGES	11,300.00	1,159.42
CONNECTIVITY CHARGES	0.00	20,000.00
CHARITY & DONATION	600.00	1,600.00
LEGAL & PROFF. EXP.	40,550.00	1,000.00
CONVEYANCE EXP.	32,186.00	25,655.00
FREIGHT & CLEARING CHARGES	0.00	5,404.00
DIRECTORS REMUNERATION	72,000.00	72,000.00
LISTING FEES	29,500.00	32,500.00
NEWS PAPER & PERIODICALS	2,100.00	4,490.00
AUDIT FEES	3,306.00	2,500.00
OFFICE EXP.	6,505.00	7,185.00
OFFICE RENT	12,000.00	12,000.00
PRINTING & STATIONARY	24,764.00	25,422.00
ELECTRICITY EXP.	10,373.00	10,552.00
SALARY	1,97,000.00	1,53,550.00
TELEPHONE / CELLPHONE EXP.	34,711.93	31,824.00
TRAVELLING EXP.	50,915.00	38,005.00
POSTAGE & TELEGRAM	1,440.00	4,651.00
R.O.C. EXP.	3,500.00	1,040.00
STAFF WELFARE EXP.	5,105.00	6,941.00
CONSULTANCY CHARGES	33,000.00	16,650.00
PHOTO COPY EXP.	11,302.00	0.00
PROFESSIONAL FEES	17,152.00	0.00
VEHICLE RUNNING & MAINTENANCE	24,567.00	0.00
<b>TOTAL</b>	<b>6,97,668.93</b>	<b>5,65,564.42</b>
<b>SCHEDULE-R</b>		
<b>PRELIMINARY EXPENSES</b>		
OPENING BALANCE	12,669.00	19,006.00
LESS : 1/10 WRITTEN OFF	6,337.00	6,337.00
<b>TOTAL (A)</b>	<b>6,332.00</b>	<b>12,669.00</b>
<b>PUBLIC ISSUE EXP.</b>		
OPENING BALANCE	3,35,522.00	5,03,286.00
LESS : 1/10 WRITTEN OFF	1,67,764.00	1,67,764.00
<b>TOTAL (B)</b>	<b>1,67,758.00</b>	<b>3,35,522.00</b>
<b>TOTAL (A+B)</b>	<b>1,74,090.00</b>	<b>3,48,191.00</b>

**ALFAVISION OVERSEAS (INDIA) LTD.****SCHEDULE - 'E'****STATE MENT OF FIXED ASSETS AS ON 30/06/2004**

(AS PER COMPANIES ACT, 1956)

PARTICULARS OF ASSETS	RATE OF DEPREE.	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		OPENING	ADDITION DURING THE YEAR	TOTAL	UP TO 30/06/2003	FOR THE YEAR	TOTAL	WDV AS ON 30/06/2004	WDV AS ON 30/06/2003
COMPUTER	40.00%	140000.00	0.00	140000.00	115875.80	<b>9649.68</b>	125525.48	<b>14474.52</b>	24124.20
AGRICULTURE LAND (24.5 Acres at cost)	-	277445.00	0.00	277445.00	0.00	<b>0.00</b>	0.00	<b>277445.00</b>	277445.00
FURNITURE & FIXTURE	18.10%	410638.00	0.00	410638.00	195780.72	<b>38889.17</b>	234669.89	<b>175968.11</b>	214857.28
OFFICE EQUIPMENT	13.91%	133200.00	0.00	133200.00	51188.94	<b>11406.35</b>	62595.29	<b>70604.71</b>	82001.06
MOBILE PHONE	16.00%	14000.00	0.00	14000.00	6038.48	<b>1273.84</b>	7312.32	<b>6687.68</b>	7961.52
<b>TOTAL</b>		<b>975283.00</b>	<b>0.00</b>	<b>975283.00</b>	<b>368883.94</b>	<b>61219.04</b>	<b>430102.98</b>	<b>545180.02</b>	<b>606389.06</b>

# **ALFAVISION OVERSEAS (INDIA) LTD.**

## **ACCOUNTING POLICIES & NOTES ON ACCOUNTS :**

### **1. - SIGNIFICANT ACCOUNTING POLICIES**

#### **A. GENERAL**

• THE FINANCIAL STATEMENTS ARE DRAWN UP IN ACCORDANCE WITH THE HISTORICAL COST CONVENTION ON ACCRUAL BASIS AND COMPLY WITH THE ACCOUNTING STANDARDS REFERRED TO IN SEC 211 (3C) OF THE COMPANIES ACT , 1956.

• ACCOUNTING POLICIES NOT SPECIFICALLY REFERRED TO OTHERWISE ARE CONSTANT AND ARE IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

• ALL EXPENSES AND INCOMES TO THE EXTENT CONSIDERED PAYABLE AND RECEIVABLE RESPECTIVELY HAVE BEEN ACCOUNTED FOR ON MERCANTILE BASIS.

#### **B. FIXED ASSETS / DEPRECIATION/AMORTISATION**

• FIXED ASSETS ARE STATED AT THEIR HISTORICAL COST .

• DEPRECIATION ON ASSETS HAS BEEN PROVIDED ON WRITTEN DOWN VALUE METHOD AT THE RATES MENTIONED IN SCHEDULE XIV OF THE COMPANIES ACT, 1956

#### **C. INVENTORIES**

• THERE IS NO STOCK OF RAW MATERIAL. SHARES ARE VALUED AT COST. THE COST IS TAKEN AS CERTIFIED BY THE MANAGEMENT.

#### **D. PRELIMINARY EXPENSES**

• PRELIMINARY EXPENSES WILL BE AMORTISED OVER A PERIOD OF TEN YEARS FROM THE YEAR OF THE COMMENCEMENT OF BUSINESS.

#### **E. INVESTMENTS**

• INVESTMENTS ARE CLASSIFIED AS LONG TERM INVESTMENTS AND ARE STATED AT COST DIMINUTION IN VALUE IF ANY, WHICH IS OF A TEMPORARY NATURE, IS NOT PROVIDED.

#### **F. FOREIGN CURRENCY TRANSACTION**

• THERE WAS NO FOREIGN CURRENCY TRANSACTION.

#### **G. CURRENT TAX / DEFERRED TAX**

• PROVISION FOR **CURRENT INCOME TAX** LIABILITY IS CALCULATED AT THE MINIMUM ALTERNATIVE TAX RATE U/S 115 JB OF THE INCOME TAX ACT, 1961.

• **DEFERRED TAX ASSETS** ASCERTAINED FROM TIMING DIFFERENCE BETWEEN DEPRECIATION AS PER COMPANIES ACT,1956 AND DEPRECIATION AS PER INCOME TAX ACT,1961 AND HAS BEEN ACCOUNTED AS PER REGULAR TAX RATE AS ENACTED IN THE INCOME TAX ACT, 1961.

#### **H. BORROWING COSTS**

• BORROWING COSTS ARE RECOGNISED AS AN EXPENSES IN THE PERIOD IN WHICH THEY ARE INCURRED.

### **2. NOTES ON ACCOUNTS**

A) PRVIOUS YEAR FIGURES HAVE BEEN REGROUPED & RECLASSIFIED WHERE EVER NECESSARY.

B) BALANCE OF DEBTORS, CREDITORS, LOANS & ADVANCES, CASH & BANK BALANCE AS ON 30.06.04 ARE SUBJECT TO RECONCILIATION & CONFIRMATION, IF ANY.

C) IN THE OPINION OF THE BOARD THE VALUE ON REALISATION OF CURRENT ASSETS AND LOANS AND ADVANCE IN ORDINARY COURSE OF BUSINESS WILL NOT BE LESSTHAN THE AMOUNT AT WHICH THEY ARE STATED IN THE BALANCE SHEET.

D) AUDITORS REMUNERATION	30.06.04	30.06.03
AUDIT FEES	3,306.00	2,500.00
OTHERS	NIL	NIL

E) DIRECTORS REMUNERATION 72,000/- 72,000/-

F)CONTINGENT LIABILITY NOT PROVIDED FOR NIL NIL

G) DETAILS OF OPENING STOCK AND CLOSING STOCK OF SHARES.



# **ALFAVISION OVERSEAS (INDIA) LTD.**

## **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**AS AT 30<sup>th</sup> JUNE 2004**

**1. REGISTRATION DETAILS :-**

REGISTRATION NO. : 08375 STATE CODE : 10  
BALANCE SHEET DATE : 30.06.2004

**2. CAPITAL RAISED DURING THE YEAR :-**

(AMOUNT IN THOUSAND)

PUBLIC ISSUE : NIL RIGHTS ISSUE : NIL  
BONUS ISSUE : NIL PRIVATE PLACEMENT : NIL

**3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :-**

(AMOUNT IN THOUSAND)

TOTAL LIABILITIES : 40,543.55 TOTAL ASSETS : 40,543.55

SOURCES OF FUNDS :-

PAID -UP CAPITAL : 31,526.00 RESERVE & SURPLUS : 3226.85  
SECURED LOANS : NIL UNSECURED LOAN : NIL

APPLICATION OF FUNDS :-

NET FIXED ASSETS : 545.18 INVESTMENT : 4,483.15  
NET CURRENT ASSETS : 29,575.83 MISC. EXPENDITURE : 174.10  
ACCUMULATED LOSSES : NIL

**4. PERFORMANCE OF COMPANY :-**

(AMOUNT IN THOUSAND)

INCOME (RECEIPT) : 5,713.53 TOTAL EXPENDITURE : 4058.26  
PROFIT BEFORE TAX : 1,655.28 PROFIT AFTER TAX : 1655.28  
EARNING PER SHARE : 0.53 DIVIDEND RATE % : N.A.

**5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY :-**

TRADING BUSINESS/FINANCE

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE

For **VISHAL P. JAIN & CO.**

*Chartered Accountants*

**( VISHNU GOYAL )**

*Managing Director*

**( REKHA GOYAL )**

*Director*

Place : INDORE

Dated : 24/11/2004

**( VISHAL JAIN )**

*Proprietor*

# **ALFAVISION OVERSEAS (INDIA) LTD.**

## **CASH FLOW STATEMENT ( AS ON 30.06.2004 )**

Rs. In '000

PARTICULARS	30.06.2004	30.06.2003
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) as per P&L A/C	1612.925	57.502
<b>Adjustment for :</b>		
Add : Deprecation	61.219	78.334
Misc. Exp. W/off	174.101	174.101
Less : Deffered Tax Assets	7.923	10.521
Investment Income	893.373	1234.008
<b>Operating Profit (Loss) Before Working Capital Changes</b>	<b>946.949</b>	<b>-934.592</b>
<b>Adjustment for :</b>		
Trade & Other Receivables	-2204.507	-1471.830
Inventories	Nil	Nil
Trade payable & Other Liabilities	4449.434	554.574
<b>Cash Generated From Operations</b>	<b>3191.876</b>	<b>-1851.848</b>
<b>Net Cash Flow From Operating Activities before Extraordinary Items</b>	<b>3191.876</b>	<b>-1851.848</b>
Adjustment for Extraordinary Items	Nil	Nil
<b>Net Cash Flow From Operating Activities after Extraordinary Items</b>	<b>3191.876</b>	<b>-1851.846</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Share Application Money Received	0.000	1000.000
Investment Income	893.373	1234.008
<b>Net Cash Flow From Investing Activities</b>	<b>893.373</b>	<b>2234.008</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash flow from financing activities		
decrease in Unsecured Loan	-727.052	Nil
<b>Net Increase (Decrease) in Cash/Cash Equivalent (A+B+C)</b>	<b>3358.197</b>	<b>382.162</b>
<b>Add : Cash/Cash Equivalent at the begining of the year</b>	<b>434.880</b>	<b>52.716</b>
<b>Cash / Cash Equivalent at the Closing of the year</b>	<b>3793.077</b>	<b>434.878</b>

FOR AND ON BEHALF OF THE BOARD

Place : INDORE

Dated : 24/11/2004

( VISHNU GOYAL )  
Managing Director

( REKHA GOYAL )  
Director

### **AUDITOR'S CERTIFICATE**

We have examined the above cash flow statement of ALFAVISION OVERSEAS (I) LTD. derived from the audited financial statement for the year ended 30.6.2004 and found the same in agreement therewith.

Place : INDORE  
Date : 24.11.2004

For **Vishal P. Jain & Co.**  
Chartered Accountants

( Vishal Jain )  
Proprietor

**ALFAVISION OVERSEAS (INDIA) LTD.**

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**PROXY FORM**

**ALFAVISION OVERSEAS (INDIA) LTD.**

Regd. Office : "Goyal House", 81, Janki Nagar Main, Indore - 452 001

I/We of .....

.....

being a member / members of **ALFAVISION OVERSEAS (INDIA) LIMITED** hereby

appoint Shri/Smt./Ku. .... of

..... or failing him Shri/Smt. Ku. ....

of ..... As my/our proxy in my/our absence to attend

and vote for me/us and on my/our behalf at the 10th Annual General Meeting of the

company to be held on 30th December, 2004 at 11.00 and at any adjournment thereof.

Signed this ..... Day of ..... 2004.

Affix Revenue Stamp of Rs. 1.00
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**Note :**

The Proxy to be valid must be repositated at the Registered Office of the company at  
**"Goyal House", 81, Janki Nagar Main, Indore - 452 001**

**BOOK-POST**

To,

If undelivered Please Return to :  
**ALFAVISION OVERSEAS (INDIA) LTD.**  
"GOYAL HOUSE"  
81, Janki Nagar Main, Indore - 452 001