

**ALFAVISION  
OVERSEAS (INDIA) LTD.**



*11th Annual Report*  
2004-2005

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 11<sup>th</sup> Annual General Meeting of the members of **ALFAVISION OVERSEAS (INDIA) LIMITED** will be held on Friday, the 30th December, 2005 At 10.00 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.2005 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 Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration, the retiring auditors M/s Vishal P Jain & Co., Chartered Accountants have informed the Company that they do not wish to seek re-election as Auditors of the Company. The Company has received a special notice from a member proposing the appointment of M/s MGB & Co., Chartered Accountants as Auditors of the Company.

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

"RESOLVED THAT M/s MGB & Company, Chartered Accountants, Mumbai be and are hereby appointed as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General meeting and the Board be and are hereby authorized to fix their remuneration."

### **SPECIAL BUSINESS :**

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

"Resolved that Mr. B.N. Gupta was appointed as an additional Director by the Board of Directors and who holds office as such director up to the date of this meeting and is eligible for appointment as Director, and in respect of whom notice under section 257 of the Companies Act, 1956, has been received, be and is hereby appointed as a Director of the company retiring by rotation."

**5. To consider and if, thought fit, to pass with or without modification(s) the following resolution :**

“Resolved that Mr. Surendra B. Vaid who was appointed as an additional Director by the Board of Directors and who holds office as such director up to the date of this meeting and is eligible for appointment as Director, and in respect of whom notice under section 257 of the Companies Act, 1956, has been received, be and is hereby appointed as a Director of the company retiring by rotation. matters and things as may be necessary, for this purpose.”

**6. To consider and if, thought fit, to pass with or without modification(s) the following Special Resolution:**

“Resolved that pursuant to provision of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 (hereinafter referred to as the “Delisting Guidelines”) and subject to the provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof for the time being in force), The Securities Contracts (Regulation) Act, 1956 and the Rules framed there under, listing agreement and all other rules, regulations and guidelines and subject to the approval(s), consent(s), permission(s) or sanction(s) of the Securities and Exchange Board of India, Stock Exchange where the shares of the company are listed and other appropriate authorities, institutions or regulators as may be prescribed or imposed by any authority while granting such approval(s) permission(s) and sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof constituted by the Board) the consent of the company be and is hereby accorded to the Board to delist the equity shares of the company from the Madhya Pradesh Stock Exchange, Indore.”

Place : INDORE  
Date : 30/11/2005

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 remain closed from Tuesday, the 27<sup>th</sup> December 2005 to Friday, 30<sup>th</sup> December 2005 (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 dematerialized 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, a statement details of the concerned directors is as Under:

**Statement Regarding the Directors Proposed for Re-appointment**

Name & Designation of Appointee	Age	Qualification	Experience	Expertise	Date of Appointment
Smt. Rekha Goyal	37	Graduate	15	Agricultural	18.07.2000
Shri B.N. Gupta	54	Technocrat	20	Technical	30.11.2005
Shri Surendra B Vaid	54	Graduate	20	Marketing & Business	30.11.2005

Place : INDORE

Date : 30/11/2005

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 & 5**

Mr. B.N. Gupta and Mr. Surendra B Vaid were appointed as Additional Directors of the Company. Pursuant to section 260 of the Companies Act, 1956, they will hold their office up to the date of ensuing Annual General Meeting of the Company. Mr. B.N. Gupta having good experience in the cultivation of medicinal Agricultural products and Mr. Surendra B vaid is good businessmen since from last 20 years. Yours Board of Directors feels that their continuation on the Board will be highly beneficial to the company and recommend the adoption of the resolutions proposed under these items.

The Company has received notices along with requisite deposits under section 257 of the Companies Act, 1956 for appointment of Directors of the Company at the ensuing Annual General Meeting.

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

### **Item No.6**

The Company's equity shares are presently listed at Stock Exchange at Mumbai, M.P. Stock Exchange at Indore. The equity shares are actively traded on Mumbai Stock Exchange whereas practically there are no transactions on M.P. Stock Exchange. Computerizations of the Stock Exchanges have offered opportunities to the shareholders to have better accessibility to the exchanges where shares are actively traded. It is, therefore, proposed to delist the Company's equity shares from Madhya Pradesh Stock Exchange to save cost and compliance requirement.

The Board recommends the adoption of the resolutions proposed under these items.

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

Place : INDORE

Date : 30/11/2005

By Order of the Board.

For **Alfavision Overseas (India) Limited**

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

## DIRECTOR'S REPORT

Dear Members,

Your Directors hereby present the Eleventh Annual Report of the Company together with the Audited Accounts for the year ended 30<sup>th</sup> June, 2005.

### FINANCIAL RESULTS :

(Rs. In Lacs)

	Year ended 30.06.2005	Year ended 30.06.2004
Total Income	476.62	57.14
Total Expenditure	406.85	39.98
Profit before depreciation	69.77	17.16
Depreciation	0.54	0.61
Profit/Loss before tax	69.23	16.55
Provision for Deferred Tax Assets	0.03	0.08
Profit after Deffered Tax	69.26	16.63
Paid up Equity Share Capital	315.26	315.26
Reserves	101.51	32.27

During the year under review, your Company performed very well and achieved a higher turnover as it has gone up by 734.12% and reached to Rs. 476.62 Lacs as compared to Rs. 57.14 Lacs for the previous year. Your company has also earned net profit of Rs. 69.26 Lacs as compared to Rs. 16.63 Lacs during the previous year. We expect good increase in turnover and profitability in the coming years.

### DIVIDEND

In view of strengthen the financial base of the Company, Directors do not recommend any dividend for 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 there under.

### 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 Mr. B.N. Gupta and Mr. Surendra B Vaid were co-opted on the Board as an additional Directors and it is proposed to be appointed as Directors in

forthcoming Annual General Meeting for which Company has received notices under section 257 of the Companies Act, 1956 from the member.

Mr. Birendra Agrawal and Mr. Suresh Mittal have resigned from the Board of Directors of the Company. Mr. G.K. Sharma was appointed as an additional director of the company and ceased from directorship due to resignation. Your Board places on record its deep appreciation of the valuable contribution made by them during their tenure as Directors of the Company.

### **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 2005; 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of 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**

M/s **Vishal P. Jain & Company**, Chartered Accountants, Auditors of the company are retiring and have informed that they do not wish to seek re-election as auditors at the ensuing Annual General Meeting. The Board records its sincere appreciation of the long and fruitful association with your company, had with M/s Vishal P. Jain & Company,.

A Special notice has been received from member proposing the appointment of M/s **MGB & Co.**, Chartered Accountants as Statutory Auditors of the Company.

### **AUDITOR'S REPORT**

The Auditors in their report have referred to the notes forming part of the Accounts which are self-explanatory and do not require any explanation.

## **DELISTING OF EQUITY SHARES**

The Board has decided to propose the delisting of its equity shares from Madhya Pradesh Stock Exchange.

## **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 has 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

Date : 30/11/2005

By Order of the Board.

For **Alfavision Overseas (India) Limited**

**(VISHNU GOYAL)**  
Managing Director



# **MANAGEMENT DISCUSSION AND ANALYSIS REPORT.**

## **INDUSTRY STRUCTURE.**

Your Company is engaged in the business of cultivation and herbal medicinal and cotton yarn. Now the demand of herbal medicinal products has been increased in domestic and international market, therefore in future there is bright prospects.

## **BUSINESS STRATEGY.**

Your company had always endeavored to optimize shareholder value. The Company has acquired land to cultivate safed musli and planning to develop the land looking to good monsoon and expect good turnover and profitability in coming years.

## **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 relations at all level continue to remain cordial.

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

In spite of limited scale of operations and bad monsoon Company have achieved net profit of Rs. 69.26 Lacs in comparison to previous year's net profit of Rs. 16.63 Lacs.

## **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 is as under

During the year 2004-2005 the Board met Ten times. The last Annual General Meeting was held on 30<sup>th</sup> December 2004. 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 Vishnu Goyal	MD	10	Yes
Smt. Rekha Goyal	NED	10	Yes
Shri Suresh Mittal	ID	6	Yes
Shri Birendra Agrawal	ID	2	-
Shri G.K. Sharma	ID	1	-

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 Vishnu 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.

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.**

The Company has not entered into any transaction of material nature with the promoters, the Directors of the management or relatives etc that may have potential conflict with the interest of the Company.

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

No Sitting Fee was paid to any director of the company during the financial year.

### **3. AUDIT COMMITTEE**

The Audit Committee re-constituted by the Board of directors consists of three Non executive Directors namely, Shri B.N. Gupta, Shri Surendra B Vaid and Smt. Rekha Goyal. 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, 2004, 31<sup>st</sup> October, 2004, 24<sup>th</sup> November, 2004 and 31<sup>st</sup> January, 2005, 30<sup>th</sup> April, 2005, during the period July, 2004 to 30<sup>th</sup> June, 2005

#### **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 was reconstituted comprises of Shri B.N. Gupta, Shri Surendra B Vaid and Smt. Rekha Goyal all non-executive directors with Shri B.N. Gupta its Chairman.

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

The Committee reconstituted comprises of Shri B.N. Gutpa, Shri Surendra B Vaid and Smt. Rekha Goyal. The Committee, interalia approves the share transfer and all matters connected with the securities transfer/transmission. The Committee also looks into redressing of shareholder's/ investor's compliant 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 Regularly.

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

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

<b>Financial Year.</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
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.)
Annual General Meeting 2003-2004	31.12.2004	11.00 A.M.	Goyal House, 81 Janki Nagar main, Indore (M.P.)

No Speical 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, 2005 at 10.00 A.M. at Goyal House, 81 Janki Nagar main, Indore (M.P.)
Financial reporting for 2005-06 : 1st Quarter ending 30 <sup>th</sup> September, 2005 2nd Quarter ending 31 <sup>st</sup> December 2005 3rd Quarter ending 31 <sup>st</sup> March, 2006 4th Quarter ending 30 <sup>th</sup> June, 2006	End of October, 2005 End of January, 2006 End of April, 2006 End of July, 2006
Date of Book Closure	27 <sup>th</sup> December to 30 <sup>th</sup> December, 2005 [both days inclusive]
Listing on Stock Exchanges	1. The Stock Exchange, Mumbai 2. The M.P. Stock Exchange, Indore
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)  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
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 30.06.2005	Please see Annexure 'B'
Dividend Payment for F.Y.2004-2005	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 2004-2005. 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, 2004	4.20	3.36
August, 2004	4.20	3.37
September, 2004	3.36	2.08
October, 2004	6.46	2.26
November, 2004	12.37	3.90
December, 2004	14.49	10.25
January, 2005	19.60	12.00
February, 2005	16.50	12.75
March, 2005	15.60	13.05
April, 2005	16.50	12.00
May, 2005	27.66	13.20
June, 2005	26.00	16.31

**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	1801980	57.16
	b. Indian Public	680830	21.59
	c. NRI	15700	0.50
	d. Any other (Specify)	800	0.02
	<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		961	89.56	2499850	7.93
1001-5000		60	5.59	1361490	4.32
5001-10000		17	1.59	1300110	4.12
10000 and above		35	3.26	26364550	83.63
<b>Total</b>		<b>1073</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, 2005 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 extend 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 : 30.11.2005

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 2005.**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) According to information & explanations given to us 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. agriculture products 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 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 48,49,471/-  
(c) The above loans 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 goods, fixed assets and for the sale of good. 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 lacs 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, 2005 there were no arrears in respect of the aforesaid 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 2005 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 pledged its FDRs for the loans taken by associated concerns 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; 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 : 30.11.2005

For Vishal P. Jain & Co.  
Chartered Accountants

( Vishal Jain )  
Proprietor

**ALFAVISION OVERSEAS (INDIA) LTD.**  
**BALANCE SHEET AS ON 30.06.2005**

PARTICULARS	SCH. No.	Current Year 30.06.2005 (Rs.)	Previous Year 30.06.2004 (Rs.)
<b>I. SOURCES OF FUNDS</b>			
(1) SHAREHOLDERS FUND			
(a) SHARE CAPITAL	A	3,15,26,000.00	3,15,26,000.00
(b) RESERVE & SURPLUS	B	1,01,51,133.70	32,26,851.18
(2) DEFFERED TAX LIABILITY	C	43,843.00	43,843.00
(3) LOANS FUND		0.00	0.00
<b>TOTAL</b>		<b>4,17,20,976.70</b>	<b>3,47,36,694.18</b>
<b>II. APPLICATION OF FUNDS</b>			
(1) FIXED ASSETS			
(a) GROSS BLOCK	D	10,03,383.00	9,75,283.00
(b) LESS : DEPRECIATION		4,84,250.98	4,30,102.98
(c) NET BLOCK		5,19,132.02	5,45,180.02
(2) INVESTMENT	E	75,52,028.70	72,83,148.70
(3) DEFFERED TAX ASSETS	F	21,556.00	18,444.00
<b>TOTAL</b>		<b>80,92,716.72</b>	<b>78,46,772.72</b>
(4) CURRENT ASSETS AND LOANS & ADVANCES			
(a) SUNDRY DEPOSITS	G	8,25,550.00	4,01,087.00
(b) FIXED DEPOSITS WITH ING VYSYA		20,20,000.00	0.00
(c) OTHER ASSETS	H	11,28,707.00	9,43,689.00
(e) INVENTORIES	I	NIL	2,68,880.00
(f) PREPAID EXPENSES		7,500.00	7,500.00
(g) SUNDRY DEBTORS	J	1,04,58,611.44	65,26,469.07
(h) CASH & BANK BALANCE	K	17,18,172.11	37,93,075.53
(i) LOANS	L	1,65,98,873.44	1,53,56,991.36
(j) ADVANCES AGAINST ASSETS	M	52,25,000.00	52,25,000.00
<b>TOTAL</b>		<b>3,79,82,413.99</b>	<b>3,25,22,691.96</b>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>			
(a) CURRENT LIABILITIES	N	18,04,037.00	32,43,554.49
(b) SECURITY DEPOSIT		25,00,000.00	25,00,000.00
(c) PROVISIONS		50,117.00	3,306.00
<b>TOTAL</b>		<b>43,54,154.00</b>	<b>57,46,860.49</b>
<b>NET CURRENT ASSETS</b>		<b>3,36,28,259.99</b>	<b>2,67,75,831.47</b>
<b>MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED</b>	O	<b>0.00</b>	<b>1,74,090.00</b>
<b>TOTAL</b>		<b>4,17,20,976.71</b>	<b>3,47,96,694.19</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 : 30/11/2005

( **VISHAL JAIN** )  
*Proprietor*

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

## **PROFIT & LOSS ACCOUNT**

( FOR THE YEAR ENDED ON 30.06.2005 )

<b>PARTICULARS</b>	<b>Sch.</b>	<b>30.06.2005</b>	<b>30.06.2004</b>
<b>INCOMES :</b>			
SALE OF AGRICULTURAL PRODUCE		2,41,96,104.00	48,20,160.00
SALE OF COMMODITY DERIVATIVES		2,27,93,900.00	0.00
OTHER INCOME		6,71,555.54	8,93,373.00
		<b>4,76,61,559.54</b>	<b>57,13,533.00</b>
<b>EXPENSES :</b>			
PURCHASES OF COMMODITY		2,27,51,200.00	0.00
AGRICULTURAL EXPENSES	P	1,70,33,707.00	31,25,267.00
ADMINISTRATIVE	Q	7,25,804.02	6,97,668.93
DEPRECIATION (SCH. WITH B/S)	D	54,148.00	61,219.04
PRELIMINARY EXPENSES W/OFF	R	1,74,090.00	1,74,101.00
		<b>4,07,38,949.02</b>	<b>40,58,255.97</b>
PROFIT (LOSS) FOR THE YEAR BEFORE TAX		69,22,610.52	16,55,277.03
LESS : PROVISION FOR INCOME TAX		0.00	0.00
ADD : DEFFERED TAX ASSETS		3,112.00	7,923.00
PROFIT AFTER DEFFERED TAX		69,25,722.52	16,63,200.03
LESS : PAST YEAR ADJUSTMENTS		1,440.00	50,275.00
		69,24,282.52	16,12,925.03
<b>BALANCE CARRIED TO BALANCE-SHEET</b>		<b>69,24,282.52</b>	<b>16,12,925.03</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 : 30/11/2005

**( VISHAL JAIN )**

*Proprietor*

## ALFAVISION OVERSEAS (INDIA) LTD.

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE 2005  
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 30.06.2005**

PARTICULARS	Current Year 30.06.2005 (Rs.)	Previous Year 30.06.2004 (Rs.)
<b>SCHEDULE - A</b>		
<b>SHARE CAPITAL AUTHORISED :</b> 3500000 EQUITY SHARES OF Rs.10/- EACH	3,50,00,000.00	3,50,00,000.00
<b>ISSUED, SUBSCRIBED &amp; PAID-UP :</b> 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	32,26,851.18	16,13,926.15
ADD : SURPLUS FOR THE YEAR	69,24,282.52	16,12,925.03
<b>TOTAL</b>	<b>1,01,51,133.70</b>	<b>32,26,851.18</b>
<b>SCHEDULE - C</b>		
<b>DEFERRED TAX LIABILITY :</b>		
OPENING BALANCE	43,843.00	43,843.00
ADD : DEFERRED TAX LIABILITY	0.00	0.00
<b>TOTAL</b>	<b>43,843.00</b>	<b>43,843.00</b>
<b>SCHEDULE - E</b>		
<b>INVESTMENT :</b>		
<b>SHARES IN :</b>		
ALFAVISION FIBERS PVT. LTD.	18,57,726.70	18,57,726.70
IVES LEASE & FINANCE LTD.	18,75,000.00	18,75,000.00
GUJRAT CHEMIPLAST LTD.	15,000.00	0.00
FACTS SECURITIES LTD.	42,375.00	0.00
KOTAWALA SECURITIES LTD.	30,825.00	0.00
LLOYAD STEEL INDIA LTD.	18,430.00	0.00
SHARDA SOLVENT LTD.	24,650.00	0.00
STATE BANK OF INDIA	15,150.00	0.00
ESSAR GUJRAT LTD.	39,900.00	0.00
AKAI IMPEX LTD.	82,550.00	0.00
<b>SHARES APPLICATION WITH :</b>		
ALFAVISION FIBERS PVT. LTD.	1,750.00	1,750.00
AMKAY COLONISERS & BUILDERS P. LTD.	5,86,430.00	5,86,430.00
TITUSIND. LTD.	84,050.00	84,050.00
<b>OTHER INVESTMENTS :</b>		
GOYAL & COMPANY	78,192.00	78,192.00
PARTNERSHIP WITH NATIONAL HERALD AND PLOT (ASSOCIATE JOURNALS LTD.)	28,00,000.00	28,00,000.00
<b>TOTAL</b>	<b>75,52,028.70</b>	<b>72,83,148.70</b>

## ALFAVISION OVERSEAS (INDIA) LTD.

PARTICULARS	Current Year 30.06.2005	Previous Year 30.06.2004
<b>SCHEDULE - F</b>		
<b>DEFERRED TAX ASSET :</b>		
OPENING BALANCE	18444.00	10521.00
ADD : DEFERRED TAX ASSET FOR THE YEAR	3112.00	7923.000
<b>TOTAL</b>	<b>21556.00</b>	<b>18444.00</b>
<b>SCHEDULE - G</b>		
<b>SUNDRY DEPOSITS :</b>		
FD WITH STATE BANK OF INDORE	5,25,000.00	0.00
FDR WITH CBI CTO CIRCLE - 1	5,550.00	5,550.00
M.P. COMMODITY DERIVATIVES	45,000.00	0.00
OFFICE AND OTHER DEPOSIT	2,50,000.00	3,95,537.00
<b>TOTAL</b>	<b>8,25,550.00</b>	<b>4,01,087.00</b>
<b>SCHEDULE - H</b>		
<b>OTHER ASSETS :</b>		
T.D.S. (04-05)	1,85,018.00	0.00
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>11,28,707.00</b>	<b>9,43,689.00</b>
<b>SCHEDULE - I</b>		
<b>INVENTORIES :</b>		
<b>SHARES IN :</b>		
GUJRAT CHEMIPLAST LTD.	0.00	15,000.00
FACTS SECURITIES LTD.	0.00	42,375.00
KOTAWALA SECURITIES LTD.	0.00	30,825.00
LLOYAD STEEL INDIA LTD.	0.00	18,430.00
SHARDA SOLVENT LTD.	0.00	24,650.00
STATE BANK OF INDIA	0.00	15,150.00
ESSAR GUJRAT LTD.	0.00	39,900.00
AKAI IMPEX LTD.	0.00	82,550.00
<b>TOTAL</b>	<b>0.00</b>	<b>2,68,880.00</b>

**ALFAVISION OVERSEAS (INDIA) LTD.**

PARTICULARS	Current Year 30.06.2005	Previous Year 30.06.2004
<b>SCHEDULE - J</b>		
<b>SUNDRY DEBTORS :</b>		
(UNSECURED CONSIDERED GOOD)		
MORE THAN SIX MONTHS	58,96,366.44	11,09,038.00
LESS THAN SIX MONTHS	45,62,245.00	54,17,431.07
<b>TOTAL</b>	<b>1,04,58,611.44</b>	<b>65,26,469.07</b>
<b>SCHEDULE - K</b>		
<b>CASH &amp; BANK BALANCE :</b>		
CASH IN HAND (As Certified by Management)	15,69,055.03	37,06,580.03
STATE BANK OF INDORE (Sendhawa)	17,113.00	17,113.00
STATE BANK OF INDORE, Sanyogitagani.	4,872.35	21,937.00
ING VYSYA BANK LTD. Indore.	79,798.23	0.00
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	8,183.94
BANK OF BARODA, BHOPAL	5,788.00	5,900.00
<b>TOTAL</b>	<b>17,18,172.11</b>	<b>37,93,075.53</b>
<b>SCHEDULE-L</b>		
<b>LOANS :</b>		
(UNSECURED CONSIDERED GOOD)		
ANNAPURNA COTTON INDUSTRIES	13,61,976.39	12,61,557.35
ANNAPURNA ENTERPRISES	36,48,557.85	33,79,546.00
CHETAN ENTERPRISES	41,90,317.00	38,80,703.00
COSMIC INVESTMENT BOMBAY	22,50,000.00	22,50,000.00
OMPRAKASH GHISALAL	26,99,790.19	24,54,354.00
DINESH NANDWANA	4,73,226.30	4,73,226.30
DREAMRIVER DEV. P LTD.	4,10,093.00	4,10,093.00
MAYANK ENTERPRISES	1,91,155.00	1,91,155.00
SALIM AHMED KHAN	2,00,000.00	2,00,000.00
AJAM HASAN KHAN	1,00,000.00	1,00,000.00
V.P. GOYAL	5,63,810.00	2,26,810.00
VISHNU VISION CR. & CAP. PVT. LTD.	2,94,714.71	2,94,714.71
OTHER LOANS	2,15,233.00	2,34,832.00
<b>TOTAL</b>	<b>1,65,98,873.44</b>	<b>1,53,56,991.36</b>

**ALFAVISION OVERSEAS (INDIA) LTD.**

PARTICULARS	Current Year 30.06.2005	Previous Year 30.06.2004
<b>SCHEDULE - M</b>		
<b>ADVANCES AGAINST ASSETS :</b> (UNSECURED CONSIDERED GOOD)		
ADVANCE OF PLOT	22,25,000.00	22,25,000.00
ADVANCE AGAINST LAND OF M.P. - TEXTILES CORPORATION LTD.	30,00,000.00	30,00,000.00
<b>TOTAL</b>	<b>52,25,000.00</b>	<b>52,25,000.00</b>
<b>SCHEDULE - N</b>		
<b>CURRENT LIABILITIES :</b>		
SUNDRY CREDITORS	17,59,037.00	32,08,554.49
OTHER LIABILITIES	6,45,000.00	35,000.00
<b>TOTAL</b>	<b>18,04,037.00</b>	<b>32,43,554.49</b>
<b>SCHEDULE - O</b>		
<b>MISCELLANEOUS EXPENSES :</b>		
PRELIMINARY EXPENSES	6,332.00	12,669.00
LESS : WRITTEN OFF	6,332.00	6,337.00
<b>TOTAL (A)</b>	<b>0.00</b>	<b>6,332.00</b>
<b>PUBLIC ISSUE EXPENSES :</b>		
LESS : WRITTEN OFF	1,67,758.00	3,35,522.00
	1,67,758.00	1,67,764.00
<b>TOTAL (B)</b>	<b>0.00</b>	<b>1,67,758.00</b>
<b>TOTAL (A+B)</b>	<b>0.00</b>	<b>1,74,090.00</b>



**ALFAVISION OVERSEAS (INDIA) LTD.**

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30TH JUNE 2005 AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 30.06.2005

<b>PARTICULARS</b>	<b>30.06.2005</b>	<b>30.06.2004</b>
<b>SCHEDULE-P</b>		
<b>AGRICULTURAL EXPENSES :</b>		
PLANTING MATERIAL	1,22,93,824.00	12,64,162.00
CULTIVATION EXPENSES	26,80,482.00	3,62,330.00
DIESEL & FERTILISERS	9,39,574.00	4,01,755.00
PEELING/DRYING & OTHER EXPENSES	11,19,827.00	10,97,020.00
	<b>1,70,33,707.00</b>	<b>31,25,267.00</b>
<b>SCHEDULE-Q</b>		
<b>ADMINISTRATIVE EXPENSES :</b>		
ACCOUNTING CHARGES	62,450.00	58,900.00
REPAIR & MAINT.	18,630.00	12,917.00
ADVERTISEMENT EXP.	550.00	1,975.00
INSURANCE EXP.	827.00	0.00
INTEREST ON LOAN & BANK CHARGES	80,690.88	11,300.00
CHARITY & DONATION	0.00	600.00
LEGAL & PROFF. EXP.	46,600.00	40,550.00
CONVEYANCE EXP.	17,019.00	32,186.00
DIRECTORS REMUNERATION	72,000.00	72,000.00
LISTING FEES	10,000.00	29,500.00
NEWS PAPER & PERIODICALS	5,904.00	2,100.00
AUDIT FEES	8,500.00	3,306.00
OFFICE EXP.	10,717.00	6,505.00
OFFICE RENT	12,000.00	12,000.00
PRINTING & STATIONARY	9,733.00	24,764.00
ELECTRICITY EXP.	3,700.00	10,373.00
SALARY	2,01,490.00	1,97,000.00
TELEPHONE / CELLPHONE EXP.	25,035.63	34,711.93
TRAVELLING EXP.	28,610.00	50,915.00
POSTAGE/ COURIER	4,728.00	1,440.00
R.O.C. EXP.	2,500.00	3,500.00
STAFF WELFARE EXP.	3,376.00	5,105.00
CONSULTANCY CHARGES	33,230.00	33,000.00
PHOTO COPY EXP.	7,700.00	11,302.00
PROFESSIONAL FEES	39,795.00	17,152.00
SUNDRY BALANCES W/OFF	6,373.51	0.00
BROKERAGE	3,307.00	0.00
VECHILE RUNNING & MAINTENANCE	10,338.00	24,567.00
<b>TOTAL</b>	<b>7,25,804.02</b>	<b>6,97,668.93</b>
<b>SCHEDULE-R</b>		
<b>PRELIMINARY EXPENSES</b>		
OPENING BALANCE	6,332.00	12,669.00
LESS : 1/10 WRITTEN OFF	6,332.00	6,337.00
<b>TOTAL (A)</b>	<b>0.00</b>	<b>6,332.00</b>
<b>PUBLIC ISSUE EXP.</b>		
OPENING BALANCE	1,67,758.00	3,35,522.00
LESS : 1/10 WRITTEN OFF	1,67,758.00	1,67,764.00
<b>TOTAL (B)</b>	<b>0.00</b>	<b>1,67,758.00</b>
<b>TOTAL (A+B)</b>	<b>0.00</b>	<b>1,74,090.00</b>

## ALFAVISION OVERSEAS (INDIA) LTD.

### SCHEDULE - 'D'

#### STATEMENT OF FIXED ASSETS AS ON 30/06/2005

(AS PER COMPANIES ACT, 1956)

PARTICULARS OF ASSETS	RATE OF DEPREE.	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		OPENING	ADDITION DURING THE YEAR	TOTAL	UP TO 30/06/2004	FOR THE YEAR	TOTAL	WDV AS ON 30/06/2005	WDV AS ON 30/06/2004
COMPUTER	40.00%	140000.00	28100.00	168100.00	125525.48	<b>11408.00</b>	136933.48	<b>31166.52</b>	14474.52
AGRICULTURE LAND	-	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	234669.89	<b>31852.00</b>	266521.89	<b>144166.11</b>	175968.11
OFFICE EQUIPMENT	13.91%	133200.00	0.00	133200.00	62595.29	<b>9820.00</b>	72415.29	<b>60784.71</b>	70604.71
MOBILE PHONE	16.00%	14000.00	0.00	14000.00	7312.32	<b>1068.00</b>	8380.32	<b>5619.67</b>	6687.68
<b>TOTAL</b>		<b>975283.00</b>	<b>28100.00</b>	1003383.00	430102.98	<b>54148.00</b>	484250.98	<b>519132.01</b>	545180.02
PREV. YEAR		975283.00	0.00	975283.00	368883.94	<b>61219.04</b>	430102.98	545180.02	606389.06

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

## ACCOUNTING POLICIES & NOTES ON ACCOUNTS :

### **SCHEDULE - R**

#### **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 & FINISHED GOODS. MANAGEMENT HAS DECIDED TO CONVERT SCRIPS INTO INVESTMENTS, WHICH WAS INCLUDED IN THE STOCK UPTO LAST YEAR.

##### **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 AS PER PROVISIONS 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 30.06.05 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 LESS THAN THE AMOUNT AT WHICH THEY ARE STATED IN THE BALANCE SHEET.

D) AUDITORS REMUNERATION	30.06.05	30.06.04
AUDIT FEES	8,500.00	3,306.00
OTHERS	NIL	NIL
DIRECTORS REMUNERATION	72,000/-	72,000/-
E) CONTINGENT LIABILITY NOT PROVIDED FOR	NIL	NIL

F) QUANTITATIVE DETAILS OF OPENING STOCK, PURCHASE, SALES, AND CLOSING STOCK OF AGRICULTURE PRODUCTS ARE NOT MAINTAINED.

G) EXPENDITURE AND EARNING IN FOREIGN CURRENCY - NIL -

H) EXPENDITURE INCURRED ON EMPLOYEES WHO ARE IN RECEIPT OF REMUNERATION OF NOT LESS THAN Rs.2400000/- P.A. IF EMPLOYED FOR A WHOLE YEAR AND Rs.200000/- P.M. IF EMPLOYED FOR A PART OF THE YEAR. NIL

I) IN CASE WHERE VOUCHERS AND/OR SUPPORTINGS ARE NOT AVAILABLE IT HAS ACCEPTED AS PER THE BOOKS OF ACCOUNT MAINTAINED BY THE ASSESSEE THAT THE EXPENSES HAVE BEEN INCURRED WHOLLY & EXCLUSIVELY FOR THE PURPOSE OF BUSINESS OR FOR CREATION OF ASSETS AS THE CASE MAY BE. AS EXPLAINED TO US MOSTLY PURCHASE & SALES OF AGRICULTURE PRODUCTS MADE IN CASH AND FROM/TO SMALL FARMERS, FOR WHICH PROPER SUPPORTING ARE NOT AVAILABLE.

J) AS EXPLAINED & INFORMED TO US, COMPANY HAS SURRENDERED NBFC REGISTRATION CERTIFICATE SO THE NBFC NORMS ARE NOT APPLY TO COMPANY.

K) RELATED PARTY DISCLOSURES:

1) LIST OF RELATED PARTIES AND RELATIONSHIP

a) SISTER CONCERN & RELATIVES :

- i) M/S ALFAVISION FIBERS P. LTD.
- ii) M/S VISHNU VISION CREDITS & CAPITAL LTD.
- iii) M/S REKHA SECURITIES P. LTD.
- iv) MR. OMPRAKASH GHISALAL
- v) MRS. REKHA GOYAL

b) KEY MANGEMENT PERSONNEL

- i) MR. VISHNU PRASAD GOYAL

2) RELATED PARTY TRANSACTIONS:

NATURE OF TRANSACTION

INCOME :

INTEREST FROM OMPRAKASH GHISALAL 2,45,436/-

EXPENSES :

REMUNERATION PAID TO MANAGING DIRECTOR RS. 72,000/-  
OFFICE RENT PAID TO MANAGING DIRECTOR 12,000/-

OUTSTANDING BALANCES:

i) M/S ALFAVISION FIBERS P. LTD. 12,91,156/-  
ii) M/S VISHNU VISION CREDITS & CAPITAL LTD. 2,94,715/-  
iii) MR. OMPRAKASH GHISALAL 26,99,790/-  
iv) MRS. REKHA GOYAL 10,000/-  
v) MR. VISHNU PRASAD GOYAL 5,63,810/-

L) VARIOUS DEBIT & CREDIT BALANCES, WHICH IN THE OPENION OF MANAGEMENT ARE NOT LIKELY TO BE RECOVERABLE/PAYABLE, ARE WRITTEN OFF DURING THE YEAR.

M) AS EXPLAINED & INFORMED TO US, COMPANY HAS AGREEMENT WITH ITS ASSOCIATE CONCERNS TO USE THEIR LAND FOR AGRICULTURE ACTIVITIES.

Place : INDORE  
Date : 30.11.2005

For Vishal P. Jain & Co.  
Chartered Accountants

( Vishal Jain )  
Proprietor

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

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

**AS AT 30<sup>th</sup> JUNE 2005**

**1. REGISTRATION DETAILS :-**

REGISTRATION NO. : 08375 STATE CODE : 10  
BALANCE SHEET DATE : 30.06.2005

**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 : 41,720.98 TOTAL ASSETS : 41,720.98

SOURCES OF FUNDS :-

PAID -UP CAPITAL : 31,526.00 RESERVE & SURPLUS : 10,151.13  
SECURED LOANS : NIL UNSECURED LOAN : NIL

APPLICATION OF FUNDS :-

NET FIXED ASSETS : 519.13 INVESTMENT : 7,552.03  
NET CURRENT ASSETS : 33,628.26 MISC. EXPENDITURE : NIL  
ACCUMULATED LOSSES : NIL

**4. PERFORMANCE OF COMPANY :-**

(AMOUNT IN THOUSAND)

INCOME (RECEIPT) : 47,661.56 TOTAL EXPENDITURE : 40,738.95  
PROFIT BEFORE TAX : 6,922.61 PROFIT AFTER TAX : 6,922.61  
EARNING PER SHARE : 2.19 DIVIDEND RATE % : N.A.

(Rs. Per Share)

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

TRADING BUSINESS/CULTIVATION

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 : 30/11/2005

( **VISHAL JAIN** )

*Proprietor*

# ALFAVISION OVERSEAS (INDIA) LTD.

## CASH FLOW STATEMENT ( AS ON 30.06.2005 )

Rs. In '000

PARTICULARS	30.06.2005	30.06.2004
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) as per P&L A/C	6924.28	1612.93
<b>Adjustment for :</b>		
Add : Deprecation	54.15	61.22
Misc. Exp. W/off	174.09	174.10
Finance Expenses	80.69	0.00
Less : Deffered Tax Assets	3.11	7.92
Investment Income	671.56	893.37
<b>Operating Profit (loss) Before Working Capital Changes</b>	<b>6558.54</b>	<b>946.95</b>
<b>Adjustment for :</b>		
Trade & Other Receivables	-5783.51	-2204.51
Inventories	Nil	Nil
Trade payable & Other Liabilities	-1392.71	4449.43
<b>Cash Generated From Operations</b>	<b>-617.67</b>	<b>3191.88</b>
<b>Net Cash Flow From Operating Activities before Extraordinary Items</b>	<b>-617.67</b>	<b>3191.88</b>
Adjustment for Extraordinary Items	Nil	Nil
<b>Net Cash Flow From Operating Activities after Extraordinary Items</b>	<b>-617.67</b>	<b>3191.88</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Share Application Money Received	0.00	0.00
Investment in Fixed Deposit	-2020.00	0.00
Investment Income	671.56	893.37
Purchase of Fixed Assets	-28.10	0.00
<b>Net Cash Flow From Investing Activities</b>	<b>-1376.54</b>	<b>893.37</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash flow from financing activities		
Decrease in unsecured loan	0.00	727.05
Finance Expenses	-80.69	0.00
<b>Net Cash Flow From Financing Activities</b>	<b>-80.69</b>	<b>727.05</b>
<b>Net Increase (Decrease) in Cash/Cash Equivalent (A+B+C)</b>	<b>-2074.90</b>	<b>3358.20</b>
<b>Add : Cash/Cash Equivalent at the beginning of the year</b>	<b>3793.08</b>	<b>434.88</b>
<b>Cash / Cash Equivalent at the Closing of the year</b>	<b>1718.17</b>	<b>3793.08</b>

FOR AND ON BEHALF OF THE BOARD

Place : INDORE

Dated : 30/11/2005

( 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 30.6.2005 and found the same in agreement therewith.

Place : INDORE  
Date : 30.11.2005

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 11<sup>th</sup> Annual General Meeting of the  
company to be held on 30th December, 2005 at 10.00 a.m. and at any adjournment  
thereof.

Signed this ..... Day of ..... 2005.

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

The Proxy to be valid must be repositied 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