

Annual Report 2012-2013



ATV PROJECTS INDIA LIMITED



BOARD OF DIRECTORS

Mr. M. V. Chaturvedi	: <i>Chairman</i>
Mr. S. P. Banerjee	: <i>Non-Executive Independent Director</i>
Mr. K. S. Nalwaya	: <i>Non-Executive Independent Director</i>
Mr. S. K. Gupta	: <i>Non-Executive Independent Director</i>
Mr. H. C. Gupta	: <i>Whole Time Director & Secretary</i>

AUDITORS

M/s. N. S. Bhatt & Co.
Chartered Accountants,
Mumbai.

BANKERS

Central Bank of India
Bank of India
State Bank of India
State Bank of Travancore
Punjab National Bank

R & T AGENT

Sharex Dynamic India Pvt. Ltd.
w.e.f. 01.07.2003

Unit:- 1, Luthra Industrial Premises
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai - 400 072.
Tel.: (022) 28515606, 28515644
E-mail : sharexindia@vsnl.com

REGISTERED OFFICE

D-8, MIDC, Street No.16, Marol,
Andheri (East), Mumbai-400 093.

WORKS

- I. Delhi - Agra Bypass, Post Krishnanagar,
Mathura - 281 001.
- II. Nagothane, Dist. Raigad, Maharashtra.

INVESTORS SERVICE DEPT.

D-8, MIDC, Street No.16, Marol,
Andheri (East), Mumbai - 400 093.

Members are Requested to kindly bring their
copies of the annual reports in the meeting.



NOTICE

Notice is hereby given that the Twenty sixth Annual General Meeting of the Members of **ATV PROJECTS INDIA LIMITED** will be held on 25th September 2013, the Wednesday at Tejpal Auditorium, August Kranti Marg, Gwalia tank, Mumbai - 400 007 at 11 am, to transact the following business namely:-

ORDINARY BUSINESS.

1. To receive, consider and adopt the 26th Annual Report of the Directors, Balance sheet as on March 31st, 2013, the Profit and Loss Account for the financial year Ended March 31st 2013 and the Report of the Auditors thereon.
- 2 To appoint a Director in place of Mr. K. S. Nalwaya, who retires by rotation and being eligible Offers him-self for re-election.
- 3 To appoint a Director in place of Mr. S.P Banerjee, who retires by rotation and being eligible, offers him-self for re-election.
- 4 To appoint Auditors to hold office from the conclusion of the Twenty sixth Annual General Meeting and to fix their remuneration.

BY ORDER OF THE BOARD OF DIRECTORS

H. C. GUPTA

Whole Time Director & Secretary

Place : Mathura

Dated: 14th May, 2013

Registered Office:

D-8, MIDC, Street No. 16,

Marol, Andheri (East)

Mumbai - 400 093.

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on pool instead of him/her and the proxy so appointed need not be member of the Company. Proxy in order to be effective must be received at the registered office of the Company not less than 48 hours before the meeting.
2. All documents referred to in the above notice and the accompanying statements are open for inspection at the registered office of the Company on all working days (except Saturdays & Holidays) between 10.30 a.m. and 12.30 p.m.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 18th September 2013 to 25th September 2013 both days inclusive.
4. Members are requested to intimate their queries / requirements for clarification on the Annual Report so as to reach the Company on or before 15th September 2013, which will enable the Company to furnish the replies at the Annual General Meeting.
5. Members are requested to bring their copies of the Annual Report along with them at the Meeting, as copies of the Annual Report will not be distributed at the Meeting.
6. Members are requested to produce the Attendance slip at the entrance of the venue.
7. Since the trading of shares is allowed only in dematerialized form, in the Stock Exchange, members are advised to get their physical shareholding dematerialized.
8. To comply with Ministry of Corporate Affairs (MCA), Government of India's circular No.17/2011 dated 21-04-2011, and circular no. 18/2011 dated 29-04-2011, towards the green initiative in Corporate Governance, for paperless working, members are requested to furnish their email id for the purpose of serving the documents in electronic mode to RTA, M/S Sharex Dynamics (India) Pvt. Ltd. by mail at "sharexindia@vsnl.com"

BY ORDER OF THE BOARD OF DIRECTORS

H. C. GUPTA

Whole Time Director & Secretary

Place : Mathura

Dated: 14th May, 2013

Registered Office:

D-8, MIDC, Street No. 16,

Marol, Andheri (East)

Mumbai - 400 093.

DIRECTOR'S REPORT TO THE MEMBERS

Your Directors are pleased to present the Twenty Sixth Report together with the Audited Statement of Accounts for the year ended 31st March 2013.

1. FINANCIAL RESULTS :		(Rs. in Lacs)
	Year ended	Year ended
	31/03/2013	31/03/2012
Income	4180.28	3534.63
Profit before Interest,	235.45	240.29
Depreciation & Tax		
Less : Interest	-----	-----
Less : Depreciation	(108.55)	(122.78)
Profit / (Loss) before Tax	126.90	117.51
Add : Loss carriede		
from previous year	(41151.77)	(41269.28)
Total Loss carried to		
Balance Sheet	41024.87	41151.77

2. SHARE CAPITAL

The Authorized Share Capital of the company as on 31st March 2013 was Rs. 75 crores dividend into 75000000 Equity Shares of Rs. 10/- each. The issued & subscribed capital as on same date was Rs. 53.12 crores divided into 53117425 equity shares of Rs 10/- each. Calls in arrears were Rs. 56.17 lacs. Paid up capital as on 31st March 2013 remained Rs. 5255.57 lacs. During the year under review the authorized, issued, subscribed & paid up capital of the Company remained unchanged.

3. DIVIDEND

Your Directors place on record their deep sense of concern that due to huge carry forward losses, your Directors are unable to declare any dividend to its shareholders and / or to make any appropriation for the same.

4. OPERATIONS:

The Engineering Division at Mathura is partially in operation and executing the works with own raw materials as well as on job work basis for Power Plant, Cement Plant and for other industrial units. We have added some machinery in the workshop and regular maintenance was being carried out time to time of all the plant and machinery to ensure the smooth operation. The management is planning to add some more machinery so that some value addition orders can be executed which

will increased the profitability of the company.

With regards to TPE Plant of the company which remained closed throughout the year, sufficient care is being taken to maintain the plant due to its non -use. Your Directors have tried with an European company to re-start this plant but the deal could not be finalized .Still discussions are going on with another party to reach some understanding to restart this plant.

Members are aware that the company is sick Industrial undertaking and its rehabilitation scheme is pending before BIFR.The OTS proposal of Rs. 82 crores has been accepted by all the secured lenders except Central Bank of India. Therefore, in compliance to the OTS offer, company has paid Rs. 70.97 crores (being 100% principal OTS amount of 27 lenders out of 28 lenders) to the consenting lenders approx 87%. Company has also paid interest of Rs. 8.75 crores and Rs. 2.61 crores on account delayed payments and other payables. to the above said 27 consenting lenders. The balance amount of 2.75 crores (being 25%) of interest will carry compound interest @11% and will be due and payable upon receipt of OTS consent from Central Bank of India. The Draft Revival-Cum-Reverse-Merger-Scheme (DRS) filed earlier before Hon'ble BIFR for speedy rehabilitation of the company is pending adjudication. The main application of revival is still pending before Hon'ble BIFR.Meanwhile company has filed two appeals challenging the interim order of BIFR,which are pending adjudication before Hon'ble AAIFR. However discussions with non consenting lender i.e. Central Bank of India are in progress.

5. MANAGEMENT:

Company is managed by well qualified, experienced professionals guided by the Board of Directors.

6. DIRECTORS:

6.1.1 Mr.K.S.Nalwaya will retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for reappointment.

6.1.2 Mr. S. P. Banerjee will retire by rotation at the forth coming Annual General Meeting of the Company and being eligible, offers himself for reappointment

6.1.3 None of the Directors of the company are disqualified for being appointed as Directors as specified under section 274(1) (g) of the Companies Act, 1956.

Your Directors recommend the re-appointment of the retiring Directors.



7. DIRECTOR'S RESPONSIBILITY STATEMENT

In compliance to the Provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors wish to place on record.

- i) That in preparing the Annual Accounts, all applicable accounting standards have been followed.
- ii) That the accounting policies adopted are consistently followed and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the Financial Year and of the Profit and Loss Account of the Company for the Financial Year, under review.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing / detecting fraud and other irregularities.
- iv) That the Annual Accounts have been prepared on a going concern basis.

8. CORPORATE GOVERNANCE

Your company adheres to all the requirements of the Corporate Governance both in letter and spirit. Your company is complying with the conditions as prescribed under clause 49 of the Listing Agreement. Code of Conduct as applicable to the directors and the senior management personnel has also been put in place. Your company continues to maintain an internal control system headed by an Internal Audit Team and which the Audit Committee continuously reviews.

A separate Report on Corporate Governance is attached as a part of the Annual Report.

9. EMPLOYEE RELATIONS

Your Directors wish to place sincere thank to all the employees and officers for their cordial relations and valuable services, which continued to be rendered by them to the Company.

10. TECHNOLOGIES, RESEARCH & DEVELOPMENT, ETC.

As the TPE plant at Nagothane has been closed for several years, therefore, details about power, fuel expenses etc. in respect of the plant have not been given. The Company continues to economies in every

sphere including that of power and fuel by avoiding all wasteful expenditure and cutting costs.

No R & D is being carried on at present and the imported technology has been fully absorbed.

The details about foreign exchange earnings and outgo are given in the Notes to Accounts

11. DEMATERIALISATION OF SHARES

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) whereby the shareholders have an option to dematerialize their shares with either of the Depository. As on 31st March 2013 total 41.65% of the equity share of the company have been dematerialized.

12. LISTING OF SHARES AT BSE

Shares of the Company are relisted on Bombay Stock Exchange and are being traded there.

13. PARTICULARS OF EMPLOYEE

There is no employee, coming within the purview of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

14. AUDITORS

M/s. N. S. Bhatt & Co., Chartered Accountants, Statutory Auditors of the Company will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

The comments by the Auditors in their Report are self-explanatory and, in the opinion of the Board, do not require any further clarifications.

15. ACKNOWLEDGMENT

Your Directors gratefully acknowledge the continuing faith and support extended by the Shareholders, Creditors, Staff and Others who have supported the Company and hope to receive their continued support.

For and on behalf of the Board of
Directors

Place : Mathura
Dated: 14th May, 2013

M. V. CHATURVEDI
Chairman

REPORT ON THE CORPORATE GOVERNANCE

1. Company's philosophy on code of Corporate Governance

Your Company is committed to good Corporate Governance. The Company fully understands the rights of its shareholders to information on the performance of the company and considers itself a trustee of its shareholders. Corporate Governance strengthens investor's trust and ensures a long-term partnership that helps in fulfilling our quest for achieving significant growth and profits.

2. Board of Directors:

2.1 Composition of Board

The Board of Directors of the company consists of an optimum combination of Executive and Non-Executive Directors with more than 50% of the Board of Directors being Non-Executive Directors. The Non-Executive Directors are drawn from amongst persons with experience in business, finance, Law and corporate management. The Chairman of the Board is also a non-Executive Director. The total strength of the Board of Directors at present is 5. The brief profile of the Board of Directors is as under:

Directors	Category	No. of other Directorship	Committee membership in other companies
Mr. M. V. Chaturvedi	Chairman	2	NIL
Mr. S. P. Banerjee	Non-Executive Director	2	NIL
Mr. K. S. Nalwaya	Non-Executive Independent Director	1	NIL
Mr. S. K. Gupta	Non-Executive Independent Director	2	NIL
Mr. H. C. Gupta	Whole Time Director & Secretary	NIL	NIL

2.2 Meetings and Attendance

The Company's Corporate Governance policy requires the Board to meet at least four times in a year. Therefore during this financial year 2012-13 four meetings of the Board were held on 11th May 2012, 28th July 2012, 5th November 2012, 16th January 2013.

Attendance at the Board Meetings and general Meeting of each Director is as under:

Name of Directors	No. of Board Meetings Attended	Attendance at the last AGM
Mr. M. V. Chaturvedi	4	Present
Mr. S. P. Banerjee	4	Abset
Mr. S. K. Gupta	3	Present
Mr. K. S. Nalwaya	2	Present
Mr. H. C. Gupta	4	Present

2.3 Information placed before the Board of Directors and Executive Committee.

Interalia the following informations are regularly placed before the Board of Directors:

- Quarterly results of the Company.
- Information on recruitment and remuneration of senior officials just below the Board level.
- Material Communication from Government / Boards.
- Labour Relations.
- Material Transactions, which are not in the ordinary course of business.

- Disclosures by the management of material transactions, if any, with potential for conflict of interest.

2.4 Membership of Board Committees

None of the Directors holds membership of more than 10 committees of the Board.

3. Committee of Directors:

A) Audit Committee

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment / removal of external auditors and fixing their remuneration, reviewing the annual financial statements before submission to the Board, reviewing adequacy of internal control system, structure and staffing of the internal audit function, reviewing findings of internal investigations and discussing the scope of audit with external auditors. Four Audit Committee Meetings were held during the year 2012-13 on 11th May 2012, 28th July 2012, 5th November 2012, and 16th January 2013.

The terms and composition of the Audit Committee conform to the requirement of Section 292 A of the Companies Act, 1956.

Composition:-

The composition of audit committee is as follows

Name of Director	Designation	Committee Membership	No. of meeting attended
Mr. S. P. Banerjee	Director	Chairman	4
Mr. M. V. Chaturvedi	Director	Member	4
Mr. K. S. Nalwaya	Director	Member	2

B) Shareholders' Grievances and Share Transfer Committee

A Shareholders/Investors grievances committee has been constituted by the Board to monitor the redressal of the Shareholders/Investors grievances. The committee considers the status of the entire process of transfer, transmission and dematerialization of shares. It also examines the pending Investors complaints and directs the compliance officer to take effective steps to resolve the entire complaints.

There were four meetings of the Shareholders grievance committee during the financial year 2012-13 on 11th May 2012, 28th July 2012, 5th November 2012, and 16th January 2013.

Composition :-

The composition of shareholders / Investors grievances committee is as follows :-

Name of Director	Designation	Committee Membership	No. of meeting attended
Mr. M. V. Chaturvedi	Director/	Chairman	4
Mr. S. P. Banerjee	Director	Member	4
Mr. S. K. Gupta	Director	Member	3

C) Remuneration Committee

The Committee is entrusted with role and responsibilities of approving compensation package of Managing Director/ Whole Time Director, reviewing and approving the performance based incentives to be paid to the Managing Director/ whole Time Director and reviewing and approving compensation package and incentive scheme for senior managerial personnel.



Composition

The Composition of the Remuneration Committee is as follows:

Name of the Director	Designation	Committee Membership
1. Mr. S.P.Banerjee	Director	Chairman
2. Mr. K.S.Nalwaya	Director	Member
3. Mr. S.K.Gupta	Director	Member

4. Director's Interest in the Company:

Details of Remuneration to all Directors for the financial year 2012-2013 are as follows:

Directors	Sitting Fees	Salary & Perks	Total
Mr. M. V. Chaturvedi	2,000	----	2,000
Mr. S.P. Banerjee	2,000	----	2,000
Mr. S. K. Gupta	1,500	-----	1,500
Mr. K. S. Nalwaya	1,000	-----	1,000
Mr. H.C. Gupta	-----	5,66,000	5,66,000
Total	6,500	5,66,000	5,72,500

5. Details of previous Three Annual General Meetings

Year	Location	Date	Time
2009-10	Yashwant Rao Chavan Prishthan General Jagannath Bhosle Marg, Mumbai - 400 021.	28/07/2010	11.00 a.m.
2010-11	Tejpal Auditorium, August Kranti Marg, Gowalia Tank, Mumbai- 400007	16/09/2011	11.00 a.m.
2011-12	Yashwant Rao Chavan Prishthan General Jagannath Bhosle Marg, Mumbai - 400 021.	25/09/2012	11.00 a.m.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The cost effective measures taken by the Company have resulted in improved performance and quality of equipment supplied. Because of the improved performance the installed capacity has been better utilized and the management is confident of having improved margins from the orders on hand.

While the macroeconomic and industry outlook are stable and positive, the factors such as spiraling steel and energy prices, higher inflationary pressures, etc. could affect the business environment.

The Company is fully committed to ensuring an effective internal control system and it periodically checks the adequacy and effectiveness of the internal control systems.

Your Company is a manufacturing company and the risk of the Company consists principally of fluctuating steel price, power charges and trade recoverable. The periodical monitoring and evaluation has been implemented to minimize the above inherent risks.

7. Disclosures:

- Disclosures on materially significant related party transactions:
The transactions with related parties are undertaken in the normal course of Business and were at terms and conditions, which were not prejudicial to the interest of the Company.
- Details of non-compliance by the Company, penalties & strictures imposed on the Company by the Stock Exchange, SEBI or any Statutory Authorities or any matter related to Capital Markets:

The Company is complying with all the requirements of the Listing Agreements with the Stock Exchange as well as regulations and guidelines of SEBI or any statutory authority on matters relating to capital markets.

8. Code of Conduct for Directors and Senior Management Personnel

The Board had approved and adopted a Code of Business Conduct and Ethics as applicable to the Board of Directors and senior Management Personnel. These conducts are critical to business and helps in maintaining Standards of the Business conduct of the company. The executives of the company are expected to uphold these conducts in their day-to-day activities and comply with all applicable Laws, rules and regulations.

The following Code of Conducts have been adopted by the Board:

I. Conflict of interest

Directors and Senior Management personnel must avoid any conflicts of interest between themselves and the Company.

II. Corporate opportunities

Directors / Senior Management are prohibited from taking the company opportunities for themselves

III. Bribery and corruption

No Director or employee of the Company will utilize bribery or corruption in conducting the Company's business.

IV. Insider trading

All Directors and Senior Management shall comply with the Insider Trading Regulations as laid down by SEBI and the Company.

V. Use and protection of assets and information

The Directors and Senior Management entrusted with property belonging to the Company are responsible for the careful use, protection, expenditure and administration of such assets.

VI. Confidentiality

Directors must maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company.

VII. Compliance with laws, rules, regulations and fair dealing

Directors / Senior Management must comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company.

VIII. Encouraging the reporting of any illegal or unethical behavior

Directors / Senior Management should promote ethical behavior and take steps to encourage employees to talk to Supervisors, Managers and other Appropriate Personnel when in doubt about the best course of action in a particular situation.

IX. Compliance standards

Directors should communicate any suspected violations of this Code promptly to the Chairman of the Audit Committee.

X. Waiver of code of business conduct and ethics

Any waiver of this Code may be made only by the Board of Directors and must be promptly disclosed to the Company's shareholders.

9. Means of Communication

Quarterly Results : Whether Published	Yes
Whether it also displays officials news	No
Releases and presentations made to Institutional investors/analyst	
Whether shareholders information	
Section forms part of the Annual Report	Yes