



ABHISHEK
CORPORATION

21st
Annual Report
2013 - 14

BOARD OF DIRECTORS

- Mr. Anasaheb Ramchandra Mohite
(Chairman and Managing Director)
- Mr. Abhishek Anasaheb Mohite
(Director- Marketing & Strategy) (Resigned w.e.f. August 26, 2013)
- Mrs. Rama Jawahar Swetta
(Non Executive Director)
- Mr. Ravi Yashwant Shiralkar
(Independent Director) (Resigned w.e.f. October 1, 2013)
- Mr. Manohar Dattatraya Kanitkar
(Independent Director) (Resigned w.e.f. June 15, 2013)
- Mr. Dhananjay Shripati Charane
(Independent Director)
- Mr. Manohar Vitthal Dudhane
(Independent Director appointed w.e.f. November.30,2013)

COMPANY SECRETARY
Ms. Anuja Subhash Mallikar

REGISTERED OFFICE & WORKS
Gat No. 148, Tamgaon,
Kolhapur – Hupari Road,
Taluka – Karveer,
Dist – Kolhapur 416234

CITY OFFICE
'Shiv – Parvati' 17 E',
Nagala Park,
Kolhapur – 416003

BANKERS

Axis Bank Limited
Bank of Baroda
Indian Overseas Bank
Punjab National Bank
State Bank of India
State Bank of Patiala
Union Bank of India
Bank of India
IDBI Bank Ltd
Corporation Bank
State Bank of Hyderabad

STATUTORY AUDITORS

M/S Shrikant & Co.
Chartered Accountants,
1031/K-2, E Ward,
Sterling Tower,
Kolhapur - 416001

NOTICE

Notice is hereby given that the 21st Annual General Meeting of the members of Abhishek Corporation Limited (CIN L51491PN1993PLC073706) will be held on Tuesday, 30th, September, 2014 at 11.00 a.m. at the Registered Office of the Company, situated at Gat No. 148, Tamgaon, Kolhapur-Hupari Road, Tal-Karveer, Dist - Kolhapur 416234, to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Financial Statements as at 31st March, 2014 together with the Directors' Report and Auditors' Report thereon
2. To appoint a Director in place of Mrs. Rama Jawahar Swetta, (DIN: 00814746) who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration and to consider and, if thought fit to pass, with or without modification(s) the following Resolution as an ORDINARY RESOLUTION.

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/S. Shrikant & Co., (Membership No. 015703), Chartered Accountants, Kolhapur be and is hereby appointed as the Auditor of the Company to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Chairman."

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri. Manohar Vitthal Dudhane (DIN 06749730), be and is hereby appointed as an Independent Director of the Company to hold office for 2 (Two) years w.e.f 01.04.2014 to 31.03.2016, not liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director,".

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri. Dhananjay Shripati Charane (DIN 00153820), be and is hereby appointed as an Independent Director of the Company to hold office for 2 (Two) years w.e.f 01.04.2014 to 31.03.2016, not liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director,".

For and on behalf of Board of Directors,

Date : 14th August, 2014
Place : Kolhapur

Anasaheb R Mohite
Chairman & Managing Director (DIN : 00317676)

Notes:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts related to each item of Special Business is annexed hereto;
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. The proxy, in order to be effective, must be lodged with the Company not less than 48 hours before the meeting. The blank proxy form is enclosed.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Corporate Members intending to send their representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from the 25th, September 2014 to 29th September, 2014 [both days inclusive] for the purpose of Annual Book Closure.
5. Members holding shares in physical form are requested to notify the email id and the changes in their addresses, if any, at the earliest. Members holding shares in dematerialized form are requested to notify change in their addresses to their Depository Participants.
6. The Members whose names are appear in the Register of Members/list of Beneficial Owners as received from Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) on 29th August, 2014 be entitled to vote by Ballot Paper attending Annual General Meeting in person(s) on the resolutions set forth in this Notice.
7. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically on the resolutions mentioned in the notice of 21st Annual General Meeting of the Company.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next, enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

(vii) If you are a first time user follow the steps given below:

<i>For Members holding shares in Demat Form and Physical Form</i>	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	<p>Enter the Dividend Bank details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the Depository or Company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (i) After entering these details appropriately, click on "SUBMIT" tab.
- (ii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant Abhishek Corporation Limited on which you choose to vote.
- (v) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (vii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (x) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (a) Please follow all steps from sl. no. (i) to sl. no. (x) above to cast vote.
- (b) The voting period begins on 22-09-2014 (9.00 a.m.) and ends on 24-09-2014 (5.00 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29-08-2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (c) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 - I. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 29th August, 2014.
 - II. A copy of this notice has been placed on the website of the Company and the website of CDSL.
 - III. CS. Pramod Mehandale, Practicing Company Secretary has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
 - IV. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
 - V. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.mohite.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

EXPLANATORY STATEMENT

AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory statement sets out all material facts relating to the business under item. No. 4 and 5.

ITEM No. 4

Shri. Manohar V. Dudhane was appointed as Additional Director of the Company on 30th November, 2013 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds office as Director up to the date of the ensuing Annual General Meeting. As required notice under Section 160 of Companies Act, 2013 a notice has been received from a member signifying his intention to propose appointment of Shri. Manohar V. Dudhane as a Independent Director, who shall not be liable to retire by rotation.

He is businessman by profession. He is having experience of around 30 years in the field of Mechanical Organization. Presently, he is proprietor of Kalpana Construction Co., Kolhapur.

Shri. Manohar V. Dudhane have given the requisite declarations, pursuant to Section 149(7) of the Companies Act, 2013, to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received notices along with requisite deposit under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director.

Brief resume of the Independent Directors proposed to be appointed as stipulated under the Clause 49 of the Listing Agreement with BSE Limited are given in the annexure to the Notice.

The Board recommends the & NSE Limited Resolutions as set out at item Nos. 4 of the Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Shri. Manohar V. Dudhane for his appointment, are in any way concerned or interested, financially or otherwise, in these Resolutions.

ITEM No. 5,

In terms of Section 149 (10), (11), (13) and Section 152 (6), (7) of Companies Act, 2013 read with schedule IV of the said Act, an Independent Director shall holds office for not more than two consecutive terms of five years and the tenure of an Independent Director on the date of commencement of this act shall not be counted as a term under above mentioned sub sections. Furthermore the provisions relating to retirement by rotation shall not applicable to Independent Directors.

So to comply with relevant provisions of Companies Act, 2013, Independent Directors needs to be re-appointed on non rotational basis and up to five year at a time. In the opinion of the Board, Independent Directors of the Company fulfills the conditions for their appointment as an Independent Director as specified in the Act and the Listing Agreement. The Board also opined that they all possess appropriate skill, experience and knowledge as required to occupy the position of an Independent Director. The Board has also received declaration from all the Independent Directors that they meet the Criteria of Independence as prescribed under section 149(6) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Board recommends the appointment of Shri. Dhananjay S. Charane Independent Director as provided in the Resolutions as set out at item no. 5 of the Notice w.e.f 01.04.2014 to 31.03.2016 for your approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Shri. Dhananjay S. Charane, Independent Director for their respective appointment, are in any way concerned or interested, financially or otherwise, in these Resolutions.

For and on behalf of Board of Directors,

Date : 14th August, 2014
Place : Kolhapur

Anasaheb R Mohite
Chairman & Managing Director (DIN : 00317676)

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT :

Details of the Directors retiring by rotation and seeking re-appointment (in pursuance of Clause 49 of the Listing Agreement).

1)	Name : Age: Experience : Other Directorship:	Mrs. Rama Jawahar Swetta 65 yrs. She is a fashion designer by profession and owns a boutique at Bandra (west) Mumbai. Shri Devchand Sugar Limited
2)	Name : Age: Experience : Other Directorship:	Mr. Manohar Vitthal Dudhane 60 yrs. He is businessman by profession. He is having experience of around 30 years in the field of Mechanical Organization. Presently, he is proprietor of Kalpana Construction Co., Kolhapur. NA
3)	Name : Age: Experience : Other Directorship:	Mr. Dhananjay Shripati Charane 61 yrs. He is businessman by profession. He is having experience of around 38 years in the field of Mechanical Organization. NA

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 21th Annual Report for the year ended on 31st March 2014.

Financial Results:

The performance of the Company for the financial year ended March 31, 2014 is summarized below:

₹ in lacs

PARTICULARS	2013-14	2012-13
Total Income	2249.47	2594.75
Usual Working Expenses	3580.77	3551.66
Gross Profit/(Loss) before Interest and Depreciation	(1331.30)	(956.91)
Less: Interest	5342.90	4186.64
Depreciation	1497.46	1503.65
Profit /(Loss) Before Tax	(8171.66)	(6647.20)
Less: Provision for Current Tax	-	-
Provision for Deferred Tax	-	-
Provision for Fringe Benefit Tax	-	-
Profit /(Loss) After Tax before Extra Ordinary & Exceptional Items	(8171.66)	(6647.20)
Less: Exceptional Items	-	-
Profit /(Loss) After Tax & After Extra Ordinary Items	(8171.66)	(6647.20)
before Exceptional Items		
Add: Extra Ordinary Items	-	-
Profit /(Loss) After Tax & After Extra Ordinary & Exceptional Items	(8171.66)	(6647.20)
Add: Balance brought forward from last Year	-	-
Balance Transferred to Balance Sheet	(8171.66)	(6647.20)

Results of Operations

During the year under review sale has been reduced to ` 2241.75 lacs from ` 2587.50 Lacs. Company has started receiving orders gradually. But still orders are very less comparing to production capacity of the Company. Management is constantly focused on marketing. Due to lack of funds and lower orders the growth in Company's sale is restricted.

Company has not been able to sale the Fabric of Premium Quality due to lack of demand. Premium quality fabric gives higher margins. Under utilization of capacity accompanied with higher debt cost, lower margins have resulted into the loss of ` 8171.66 lacs (before Extra Ordinary Item) as against the net loss of ` 6647.20 Lacs in previous year.

Dividend:

During the year under review the Company has not earned profit hence your Board of Directors' do not recommend any dividend for the year.

Fixed Deposits

During the year under review the Company has not raised any amount by way of Fixed Deposits.

Industrial Relations

During the year, industrial relations have been cordial.

Directors

In accordance with the provision of section 152 of Company Act, 2013 read with Companies (Management & Administration) Rules, 2014 Mrs. Rama Jawahar Swetta, Director of the Company retires by rotation and being eligible, has offered herself for reappointment at the ensuing Annual General Meeting.

In terms of provision of Section 149 & 152 of Companies Act 2013 which become effective from 1st April 2014, an Independent Director of a Company can be appointed for a term of five consecutive years and shall not be liable to retired by rotation.

To comply with above provision it is proposed to appoint Mr. Dhananjay Charane, Mr. Manohar Dudhane as Independent Director of the Company for a period up to 31st March 2016 who shall not be liable to retire by rotation. Your board recommends their appointments.

The Company has received declaration from all the Independent Directors of the Company conforming that they meet the criteria of Independence as prescribed both under sub-sec. 149 of the Companies Act, 2013 and under clause 49 of the listing agreement with the stock exchange.

During the year Mr. Abhishek Mohite, Mr. Yashawant Shilalkar, Mr. Manohar Kanitkar has resigned from their post of Director and Mr. Manohar Dudhane was appointed as an Independent Director.

Corporate Governance

In order to maintain high standards of Corporate Governance and to be complied with the provisions of clause 49 of Listing Agreement the Company has formed following committees :

- I. **Audit Committee:** The primary objective of Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and to maintain integrity and quality of financial reporting. Its Constitution, activities of this committee has been elaborated in the report of Corporate Governance. Report on Corporate Governance along with Auditors Certificate on Compliance with the conditions of Corporate Governance as stipulated in clause 49 of listing agreement is provided elsewhere in the Annual Report.
- II. **Share Transfer and Investor Grievance Committee :** The Board of Directors' has constituted "Share Transfer and Investor Grievance Committee" to look after all the works relating to shares and shareholders grievance i.e., approval of transfer/transmission/demat/remat of shares, issue of duplicate, split-up, consolidation, renewal of share certificate, non receipt of balance sheet, non receipt of declared dividends etc. Its constitution and activities have been elaborated in the report of Corporate Governance.
- III. **Remuneration Committee :** The Board of Directors has constituted "Remuneration Committee" to decide and approve the terms and conditions for appointment of Executive Directors of the Company and remuneration payable to other Directors and Executives of the Company and other matters related thereto. Its constitution, activities of this committee have been elaborated in the report of Corporate Governance.

Auditors Qualification In Audit Report

Regarding the qualification of Auditor in Audit report, Directors' state as under

Point No. [ix] a) & b) : Due to low turnover, lower capacity utilization with higher debt cost the Company is facing liquidity problem and hence there is non – payment of statutory dues in time. The Company is taking necessary steps to pay off its statutory dues.

Point No. [x] : Due to lower capacity utilization, higher debt cost and lower margin the Company has incurred cash loss of ₹ 6674.22 lacs.

Point No. [xi] : The lower sale and high fixed cost has adversely affected the liquidity/cash flows of the Company resulting into delay in payment of Interest/Installments to Banks. The Company is exploring different ways of reducing the debt burden.

Directors' Responsibility Statement

Pursuant to requirement in respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In preparation of the annual audited accounts, the applicable accounting standards have been followed as per the requirement set out under Schedule VI of the Company Act, 1956 and that there are no material departures from the same;