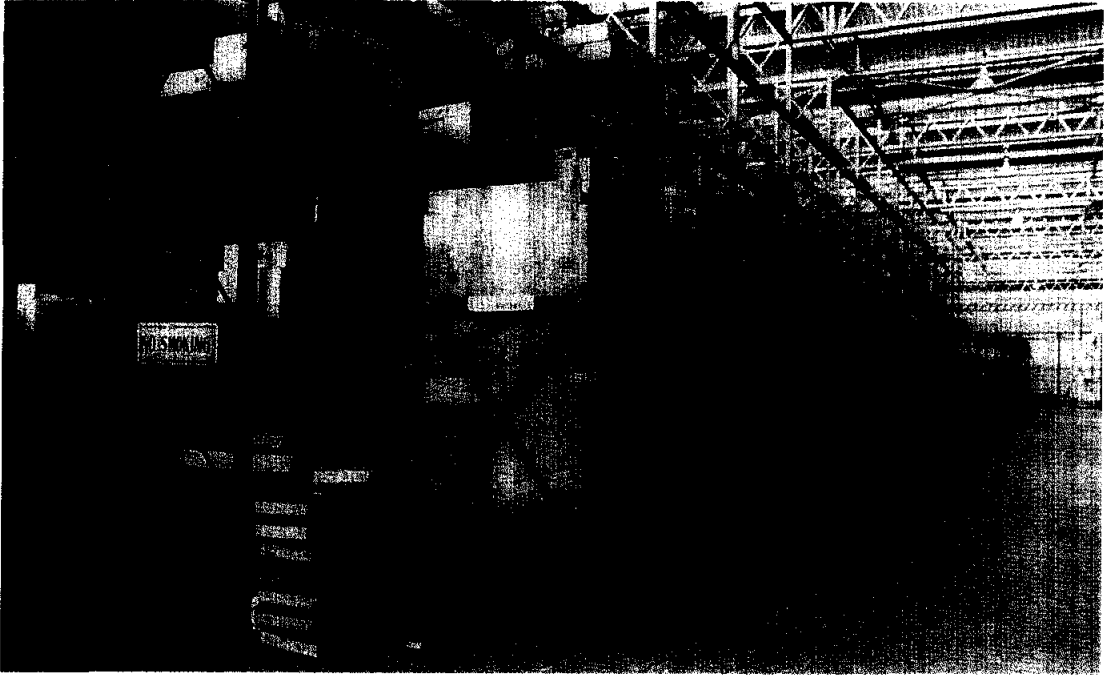


41st  
Annual Report  
2000-2001

Report  junction.com

**ACROW**



Installation of Heavy Duty Racking System at Bangalore.



Candy Rotary Pan being supplied to a Sugar Factory.



## ACROW INDIA LIMITED

### 41ST ANNUAL REPORT AND ACCOUNTS 2000-2001

#### BOARD OF DIRECTORS

Harshavardhan B. Doshi, *Chairman*

Narayan Varma

Vikram M. Bhat

Manohar B. Bhide

Dattatraya S. Kulkarni

#### REGISTERED OFFICE / WORKS

Plot Nos. 2 & 3

At & Post : Ravalgaon

Tal. Malegaon

Dist. Nashik

Maharashtra State

Pin Code 423 108

#### SECRETARY

V. K. Bodas

#### ADMN. OFFICE / SHARE DEPT.

10, World Trade Centre, 'Arcade'

Cuffe Parade

Mumbai 400 005

Tel. (022) 2180933/2189994

#### AUDITORS

N. M. RAJJI & CO.

*Chartered Accountants*

#### MARKETING OFFICE

10, World Trade Centre, 'Arcade'

Cuffe Parade

Mumbai 400 005

Tel. (022) 2180933/2161651

#### BANKERS

Bank of Baroda

Industrial Finance Branch, Mumbai

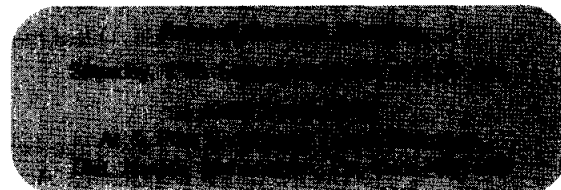
#### CHAIRMAN'S OFFICE

Meher Chambers, III Floor

Dr. Sunderlal Bahl Path

Ballard Estate

Mumbai 400 038



**NOTICE**

NOTICE is hereby given that the FORTYFIRST ANNUAL GENERAL MEETING of the Members of Acrow India Limited will be held on Saturday, the 29th September, 2001 at 9.00 A.M. at Krida Mandal Hall, At & Post Ravalgaon, Taluka Malegaon, Dist. Nashik, Maharashtra, Pin Code 423 108, to transact the following business.

**ORDINARY BUSINESS**

1. To receive and adopt the Profit and Loss Account for the financial year ended 31st March, 2001, the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Manohar B. Bhide, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

**SPECIAL BUSINESS**

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

“RESOLVED that Mr. Dattatraya S. Kulkarni be and is hereby appointed as a Director of the Company.”

6. To consider, and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution :

“RESOLVED that pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 including any Statutory modification and re-enactment thereof for the time being in force and the provisions of other Statutes as applicable and subject to such approvals, consents permissions and sanctions as may be necessary from the Appropriate Authorities or Bodies, the Articles of Association of the Company be altered in the following manner viz.,

**(I) After Article 54 insert the following heading and article as Article 54A****54A Nomination/Transmission of shares.**

Notwithstanding any provisions to the contrary contained in the Articles and pursuant to Section 109A and 109B of the Companies Act, 1956, every holder and joint holder of the shares in or Debentures of the company or Depositor under any Fixed Deposit scheme of the company may at any time nominate in the prescribed manner, a person including a minor to whom his or their shares in or debentures of the company shall vest in the event of his or their death and the provision of section 109A and 109B of the Companies Act, 1956 shall apply for registration, transfer or transmission of such shares, debentures or deposits by such Nominee.

**(II) After Clause 58, insert following heading and article as Article 58-A****58-A Dematerialisation of Securities :**

For the purpose of this Article, unless the context otherwise requires;

**A. (i) Definitions :****Beneficial Owner :**

‘Beneficial Owner’ means the beneficial owner as defined in clause (a) of sub-section (1) of section 2 of the Depositories Act, 1996;

**Bye-Laws :**

'Bye-Laws' means Bye-Laws made by a Depository under section 26 of the Depositories Act, 1996;

**Depositories Act :**

'Depositories Act' means the Depositories Act, 1996 and any Statutory modification or re-enactment thereof for the time being in force;

**Depository :**

'Depository' means a Company formed and registered under the Companies Act, 1956 (1 of 1956) ('the Act') and which has been granted a Certificate of Registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992)

**Participant :**

'Participant' means a person registered as such under Section 12 (1A) of Securities & Exchange Board of India Act, 1992.

**Record :**

'Record' includes the records maintained in the form of Books or stored in a Computer or in such other form as may be determined by the regulations made by SEBI;

**Regulations :**

'Regulations' means the regulations made by SEBI;

**SEBI :**

'SEBI' means Securities & Exchange Board of India;

**Security :**

'Security' means such security as may be specified by SEBI from time to time;

**Shareholder or Member :**

'Shareholder or Member' means a duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding equity shares and/or Preference shares of the Company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository;

Words imparting the singular number also include the plural number and vice versa.

Words imparting persons include Corporations.

Words and expressions used and not defined in the Act but defined in the Depositories Act shall have the same meanings respectively assigned to them in that Act.

- (ii) The Investor may exercise an option to hold the Securities (including shares) with a Depository in Electronic Form and the Certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matter connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, as amended from time to time or any Statutory modifications thereto or re-enactment thereof.

**B. Dematerialisation of Securities :**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its share, debentures and other securities (both existing and future) held by it with a Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to Depositories Act, 1996 and the Rules framed thereunder, if any.

**C. Options for Investors :**

Every person subscribing to securities offered by the Company shall have the option to receive the security certificate or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

Where a person opts to hold his security with a Depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

**D. Securities in Depositories to be in fungible form :**

All securities held by Depository shall be Dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372/372A of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the beneficial owners.

**E. Rights of Depositories and Beneficial Owners :**

- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (i) above, the Depository as a Registered owner of the Securities shall not have any voting rights or any other right in respect of the Securities held by it.
- (iii) Every person holding Securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of the Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

**F. Depository to furnish information :**

Notwithstanding anything to the contrary contained in the Act or these Articles, where the Securities are held in a Depository, the records of Beneficial Ownership may be served by such Depository on the Company by means of Electronic mode or by delivery of floppies and discs.

**G. Cancellation of Certificates upon surrender by a person :**

Upon receipt of Certificate of Securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such Certificate and substitute in its records the name of Depository as the Registered Owner in respect of the said securities and shall also inform the Depository accordingly.

**H. Option to opt out in respect of any Security :**

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

The Company shall within 30 (thirty) days of receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the Regulations, issue a Certificate of Securities to the Beneficial Owner or Transferee as the case may be.

**I. Section 83 and 108 of the Act not to apply :**

Notwithstanding anything to the contrary contained in the Articles -

- (i) Section 83 of the Act shall not apply to the shares held with a Depository.
- (ii) Section 108 of the Act shall not apply to transfer of Securities effected by the transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

**J. Distinctive Number of Securities held in a Depository :**

The shares in the Capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in a manner herein before mentioned, no share shall be sub-divided.

**K. Register and Index of Beneficial Owners :**

The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of Depositories Act shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purpose of these Articles and the Act.

**L. Intimation of Depository :**

Notwithstanding anything contained in the Act or these Articles, where Securities are dealt with in or by a Depository, the Company shall intimate the details of allotment of Securities thereof to the Depository immediately on allotment of such Securities.

**M. Stamp duty on Securities held in Dematerialised form :**

No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of Electronic medium.

**N. Applicability of the Depositories Act :**

In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any Certificate and where such shares, debentures or securities are being held in an Electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.



**O. Company to recognise the rights of Registered Holders as also the Beneficial Owners in the records of the Depository :**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the Holder of any share, as also the Beneficial Owners of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the company, and accordingly, the company shall not, except as ordered by a Court of competent Jurisdiction or as required by Law, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have expressed or implied notice thereof.

**P. Voting Rights :**

A Depository as a registered owner shall not have any voting rights in respect of shares and securities held by it in dematerialised form. However, the beneficial owner as per the register of beneficial owners maintained by a Depository shall be entitled to such rights in respect of shares or securities held by him in the Depository. Any reference to the members or joint members shall include a reference to Beneficial Owner or joint Beneficial Owners in respect of the shares held in Depository.

**(III) After Clause 66(2) insert following Article as Clause 66(3) :**

66(3) Notwithstanding anything contained in Clause Nos. 66(1) and 66(2), the Company shall have power, subject to and in accordance with all applicable provisions of the Act and other applicable provisions of law and subject to such approvals, permissions and sanctions as may be necessary, to purchase or acquire any of its own fully paid shares or other specified securities whether or not they are redeemable and may make a payment therefore out of its free reserves or out of share premium account/securities premium account of the Company or out of the proceeds of any issue of shares or other specified securities made by the Company specifically for the purpose or from such other sources as may be permitted by law on such terms and conditions and in such manner as may be prescribed by law from time to time.

**(IV) Substitute Clause 131 by the following :**

131 Until otherwise determined by a General Meeting, the number of Directors shall not be less than three nor more than 7 including the Managing/Whole Time Directors, Corporation Director/s and Financial Institution Nominees and excluding Debenture Director (if any).

**(V) The words 'Section 370' and 'Section 372' in Article 173 (i) and 173 (j) respectively be substituted by the word 'Section 372 A'****(VI) Substitute Clause 189 by the following :**

189 Unless otherwise directed, any dividend may be paid by cheque or warrant or demand draft sent through the post to the Registered address of the member or person entitled, or through the Electronic Clearing Service (ECS) of the RBI on the basis of Bank Account details as provided to the Company or in such other manner as may be permitted, or in case of joint holders to one first named in the Register. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transit/transmission for any dividend lost to the members or persons entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means or for any non or wrong credit of dividend made by member's banker.



**(VII) Substitute Clause 190 by the following :**

- 190 No unclaimed or unpaid dividend shall be forfeited by the Company and any unclaimed or unpaid dividend shall be treated in the manner as laid down under the provisions of Section 205A, 205B and 205C and other applicable provisions of Companies Act, 1956.

**Registered Office:**

Plot Nos. 2 & 3  
At & Post Ravalgaon  
Taluka Malegaon, Dist. Nashik  
Maharashtra  
Pin Code 423 108

Date : 29th June, 2001.

By Order of the Board

**V.K. Bodas**  
Company Secretary

**NOTES:**

- (a) A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (b) The Register of Members of the Company will remain closed from Saturday, the 15th September, 2001 to Saturday, 29th September, 2001, both days inclusive.
- (c) Dividend, if declared at the Annual General Meeting, will be paid within a statutory period of 30 days, to those Members whose names appear in the Company's Register of Members as on 29th September, 2001.
- (d) Explanatory Statement in respect to Special Business is annexed hereto as required under the Section 173(2) of the Companies Act, 1956.

**EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956.****Item No. 5 :**

Mr. Dattatraya S. Kulkarni was appointed as an Additional Director of the company w.e.f. 23rd October, 2000. He holds office as Director until the conclusion of this Annual General Meeting. Mr. Kulkarni is a leading practising Advocate from Malegaon with wide experience and Board considers that his appointment would be in the best interest of the Company. As required by Section 257(1) of the Companies Act, 1956, the Company has received a notice from one of the members of the Company alongwith a deposit of Rs. 500/- proposing his candidature to the office of Director. Hence the Resolution at Item No. 5 of the Notice.

None of the directors of the Company except Mr. D. S. Kulkarni himself is interested in the said Resolution.

**Item No. 6 :**

Consequent upon the amendment to certain provisions of the Companies Act, 1956, it is proposed to modify/add/replace certain Articles as indicated under Item No. 6 of the Notice.

The following matters, inter alia are proposed to be incorporated suitably in the Articles of Association of the Company viz.,

- (I) The Companies (Amendment) Act, 1999 inter alia has inserted two new Sections 109A and 109B for registration of Nominees in respect of Shares, Debentures and Fixed Deposits.

Hence the addition of a new Article 54-A.

(II) Dematerialisation of Company's shares has been made mandatory by the Stock Exchange. The Company is, accordingly, in the process of entering into an agreement with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the shareholders to dematerialise their shareholding in the company. The Depository Act, 1996 has led to the amendments to some of the provisions of the Companies Act, 1956 pertaining to issue, holding, transfer, transmission and dealings in shares and other securities as also issue of relevant certificates thereof to facilitate the introduction and implementation of the Depository system.

Hence the addition of a new Article 58-A.

(III) Before the Companies Amendment Act 1999, the Companies Act, 1956 did not permit the company to purchase its own shares except in accordance with Section 77 of the Companies Act, 1956. Consequent upon the amendment in the Companies Act, 1956, made effective on 31st October, 1998, the company is allowed to purchase its own shares.

Hence the addition of new Article 66(3).

(IV) Taking into consideration the size and operations of the Company, the present limit of maximum 12 Directors provided in Article 131 is proposed to be brought down to 7 Directors.

Hence existing Article 131 is being replaced by new Article 131.

(V) The Companies (Amendment) Act, 1999 has made Section 370 and 372 of the Companies Act, ineffective from 31st October, 1998 and in lieu thereof, the new Section 372A has been incorporated in the Act relating to making of loans, giving of guarantees & providing securities in connection with such loans and for making investments in other bodies corporate by the Company.

In Article 173, the words 'Section 370' and 'Section 372' are, therefore, being substituted by the word 'Section 372A'.

(VI) The existing Article 189 provides for payment of Dividend either by Cheque or by Warrant. Recently the Banks have started providing a facility of Electronic Clearing Service (ECS) which ensures safety and speedy payment of dividend to the shareholders holding shares in physical form.

Hence existing Article 189 is being replaced by new Article 189 to enable the Company to provide facility of payment of Dividend through ECS.

(VII) With the introduction of new Section 205C in the Companies Act, 1956 with effect from 31st October, 1998, the dividend remaining unclaimed for a period of 7 years, would be required to be transferred to the Investors Education and Protection Fund established by the Central Government.

Hence existing Article 190 is being replaced by new Article 190 to comply with the amended statutory provisions in the Companies Act, 1956 with regard to unclaimed dividend.

The Board recommends passing of the Special Resolution. None of the Directors of the Company is interested in the said resolution except to the extent of their shareholding, if any.

The Copy of the existing Articles of Association of Company is available for inspection at the Registered Office of the Company on any Working Day between 9.00 a.m. & 12.00 noon.

By Order of the Board

**V.K. Bodas**

Company Secretary

**Registered Office:**

Plot Nos. 2 & 3  
At & Post Ravalgaon  
Taluka Malegaon, Dist. Nashik  
Maharashtra  
Pin Code 423 108

Date : 29th June, 2001.