

42nd
Annual Report
2001-2002

ACROW

Certificate of Quality System Assessment

American Quality Assessors, AQA, a provider of ISO 9000/Q9000
third party quality system registration and accredited by the
American National Accreditation Program for
Registrars of Quality Systems (ANSI-RAB), attests that:

Acrow India Limited

Head Office:
10, World Trade Centre,
Arcade, Cuffe Parade, Colaba,
Mumbai - 400 005
India.

Regd. Office & Works
Plot no 3,
P.O. Ravalgaon - 423 198,
Tal. Malegaon, Dist. Nashik
Maharashtra, India.

with a scope of

Marketing, Design, Develop, Manufacture, Installation and Servicing of
Sugar Machinery, Industrial Pumps, Sugar Weighing Machines,
Industrial Storage System and Related Accessories

has established a quality management system that is in compliance with the
International Quality System Standard ISO 9001 and Q 9001 (1994).

May 31, 2002
Registration Date

December 13, 2003
Registration Period Ending

2810

Certificate No.

Executive Director, AQA



American Quality Assessors

1105 Belleview Ave., Columbia, SC 29201
Phone (800) 281-4384





ACROW INDIA LIMITED

42ND ANNUAL REPORT AND ACCOUNTS 2001-2002

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. RAJI & 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

Annual General Meeting

Monday, 30th September, 2002 at 9.00 a.m.
Krida Mandal Hall
At & Post Ravalgaon, Taluka Malegaon,
Dist. Nashik, Maharashtra, Pin Code 423 108

NOTICE

NOTICE is hereby given that the FORTYSECOND ANNUAL GENERAL MEETING of the Members of Acrow India Limited will be held on Monday, 30th September, 2002 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, 2002, 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. Vikram M. Bhat, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

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 : 28th June, 2002.

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 Monday, the 16th September, 2002 to Monday, 30th September, 2002, 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 30th September, 2002.

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting their Forty-second Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2002.

FINANCIAL RESULTS

	Current year 2001-02 Rs. in lacs	Previous year 2000-01 Rs. in lacs
Sales and other Income	685.26	976.72
Operating Profit	78.19	146.81
Less: Interest & Finance Charges	13.58	21.64
Depreciation	31.40	30.69
Profit before Tax	33.21	94.48
Less: Provision for Tax		
– Current Tax	10.60	15.00
– Deferred Tax	7.97	—
Profit after Tax	14.64	79.48
Add: Balance brought forward from the previous year	55.54	39.74
Add: Excess Provision for Income Tax Written Back	—	2.90
Less: Wealth Tax for Earlier Years	—	11.00
Balance available for appropriation	70.18	111.12
APPROPRIATIONS		
– Proposed Dividend (Subject to tax)	6.40	9.60
– Corporate Dividend Tax	—	0.98
– Transfer to General Reserve	4.23	45.00
Balance carried to Balance Sheet	59.55	55.54

DIVIDEND

The Board is pleased to recommend payment of Dividend @10% for the year ended 31st March, 2002. This dividend, if approved, shall be payable to the shareholders whose names appear on the Register of Members of the Company as on 30th September, 2002.

PERFORMANCE

The turnover of the Company was Rs. 647.68 lacs inclusive of excise duty as compared to Rs. 938.80 lacs during the previous year.

The Company's main stay is sugar machinery and as such, its performance is directly attributable to the working of the Sugar factories in the western and southern parts of India. The year under review was extremely bad for the Sugar Industry. This has adversely affected the Company's business during the year under review.

CURRENT YEAR

The present order book position at Rs. 258 lacs (previous year Rs.165.58 lacs) is expected to improve further in the coming months. More stress is being put on the cost reduction measures by controlling the inventory carrying cost, process improvements, etc.

INCOME TAX

The Income Tax Assessments of the Company have been completed upto the Accounting Year 1998-99.

FIXED DEPOSITS

The Company did not accept/renew any deposits from the public during the year under review. As of date, 20 deposits amounting to Rs. 76,000/- have remained unclaimed and pursuant to the provisions of Section 205 (C) of the Companies Act, 1956, the same would be credited to the Investor Education and Protection Fund established by the Central Government.

STATUTORY DISCLOSURES

A Statement giving the details regarding Conservation of Energy and Technology Absorption, Foreign Exchange Earnings and Outgo as required by the Companies (disclosure of particulars in the report of the Board of Directors) Rules, 1988, is annexed hereto as 'Annexure A' and forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm : -

- a) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that they have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The activities of the Company are managed by professionally competent and independent Board of Directors and the Company does follow various stipulations made under the code of Corporate Governance introduced by SEBI as regards the Board of Directors, appointment of Committees, Board Procedures, Management, Shareholders etc. The said Code of Corporate Governance, however, is not applicable to the Company since its

Paid-Up Capital is far below the minimum level of Rs. 3.00 crores stipulated in Clause 49 of the Listing Agreement.

ISO 9001 REGISTRATION

The Company has established a quality management system in compliance with the International Quality System Standard and has achieved a distinction of obtaining ISO 9001 certification with the scope of marketing, design, develop, manufacture, installation and servicing of Sugar Machinery, Industrial Pumps, Weighing Machines, Industrial Storage Systems and Related Accessories.

PERSONNEL

The relations with the employees continue to remain cordial. The Directors express their appreciation for the support given, and the contribution made by the employees at all levels.

Particulars of employees under Section 217 (2A) of the Companies Act, 1956, read with the (Particulars of employees) Rules, 1975, as amended, are not given since there are no employees drawing remuneration stipulated under the said rules.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Article 152 of the Company's Article of Association, Mr. Vikram M. Bhat would retire by rotation at the forthcoming Annual General Meeting, and being eligible, would offer himself for re-appointment.

AUDITORS

Pursuant to the provisions of Section 224 of the Companies Act, 1956, M/s. N.M. Raiji & Co., Chartered Accountants would retire at the forthcoming Annual General Meeting and being eligible, would offer themselves for re-appointment.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the continued support extended to the Company by the Shareholders, Banks, Suppliers and Customers.

For and on behalf of the Board of Directors.

Harshavardhan B. Doshi
Chairman



Registered Office:

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

Date : 28th June, 2002.