

53rd

Annual Report

2012 - 2013

ACROW



ACROW INDIA LIMITED
53rd Annual Report 2012-2013

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|-------------------------------------|---|
| BOARD OF DIRECTORS | MR. HARSHAVARDHAN DOSHI MR. NARAYAN VARMA MR. VIKRAM BHAT MR. NIHAL DOSHI MR. ASHOK ASHTEKAR |
| AUDITORS | M/s V. SANKAR AIYAR & CO. Chartered Accountants |
| BANKERS | BANK OF BARODA |
| REGISTERED OFFICE | Plot No 2 & 3, Ravalgaon – 423108, Taluka Malegaon, District Nasik, Maharashtra, India. T: +91 2554 645913/ 645914/ 270379 F: +91 2554 270386 / 270382 |
| CORPORATE OFFICE | 52, 5 th Floor, Maker Tower 'F', Cuffe Parade, Mumbai – 400 005 Maharashtra, India T: +91 22 22184291 F: +91 22 22184294 |
| REGISTRAR & SHARE TRANSFER AGENT | M/s Freedom Registry Ltd. Plot No. 101 / 102, 19 th Street, MIDC Industrial Area, Satpur, Nasik – 422007 T: +91 253 2354032 F: +91 253 2351126 |

ANNUAL GENERAL MEETING at 9:30 a.m on Friday, 27th September 2013 at Krida Mandal Hall, Ravalgaon – 423108, Taluka Malegaon, District Nasik, Maharashtra.

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.

Acrow India Ltd.

NOTICE

NOTICE is hereby given that the 53rd Annual General Meeting of the Company will be held as scheduled below:

DATE : Friday, 27th September 2013
TIME : 9:30 a.m.
PLACE : Krida Mandal Hall, Ravalgaon, Taluka Malegaon,
Dist. Nashik, Maharashtra, Pin Code 423108.

To transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2013 and Profit and Loss Account for the year ended 31st March 2013 along with the reports of the Auditors and the Board of Directors.
2. To appoint a Director in place of Mr. Nihal Doshi who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Ashok Ashtekar who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution

Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s V. Sankar Aiyar and Co., Chartered Accountants, Mumbai (Regn. No. 109208W), be and are hereby appointed as Statutory Auditors of the company, to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on such remuneration and other expenses in connection with the Company's audit, as may be decided by the Board".

By Order of the Board of Directors

H. B. Doshi
Chairman

Registered Office:
Ravalgaon, Taluka Malegaon,
Dist. Nashik, Maharashtra,
Pin Code 423108
Date: 29th May 2013

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 PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (2) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 19th September 2013 to Friday, 27th September 2013 (both days inclusive).
- (3) Members holding shares in physical form are requested to notify immediately details of any change / correction in their address, bank particulars, etc. to the Company's Registrars and Share Transfer Agents. Members holding shares in demat account (electronic form) may notify any change to the Depository Participant.
- (4) i. The dividend for the financial year ended 31st March 1998, 31st March 1999, 31st March 2000, 31st March 2001, 31st March 2002, 31st March 2003 and 31st March 2004 which remained unclaimed for 7 years from the date of declaration have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956. Dividend was not declared for the year ended 31st March 2005.
- ii. Shareholders are requested to note that no claim shall lie against the Company or the said Investor Education and Protection Fund after the transfer of unclaimed dividend to the fund.
- (5) The shares of the company are under compulsory demat list of SEBI and therefore trading in equity shares can be done only in demat form. In case you have not demated your shares, you may do so by opening an account with any Depository Participant and completing the dematerialization procedure.
- (6) At the ensuing Annual General Meeting, Directors Mr. Nihal Doshi and Mr. Ashok Ashtekar retire by rotation and, being eligible offer themselves for re-appointment. The information and details pertaining to the directors to be provided vide Clause 49 of the Listing Agreement with Stock Exchange are given below:

| Name of Director | Mr. Nihal Doshi | Mr. Ashok Ashtekar |
|---|---|---|
| Date of Birth | 09/10/1983 | 05/05/1945 |
| Experience in specific areas and position held | Eight years of experience in finance and three years of experience in management | Associated with Sugar Industry for last 45 years |
| Qualification | B. Sc, magna cum laude, in economics from Wharton School at University of Pennsylvania, USA | Diploma in Mechanical and Electrical Engineering. Fellow Institute of Mechanical Engineers (FIME) |
| Directorship in other companies (excluding Foreign Companies) | Three | One |
| Shareholding | Nil | Nil |

By Order of the Board of Directors

H. B.Doshi
Chairman

Registered Office:
Ravalgaon, Taluka Malegaon,
Dist. Nasik, Maharashtra,
Pin Code 423108
Date: 29th May 2013

Acrow India Ltd.

DIRECTORS' REPORT

To,
The Members
Acrow India Ltd.

Your Directors have pleasure in presenting their 53rd Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2013.

| (Rs. in lacs) | | |
|--|----------------|----------------|
| FINANCIAL RESULTS: | Current Year | Previous Year |
| Sales and Other Income | 218.46 | 366.80 |
| Operating Profit | 16.56 | 20.46 |
| Less: Interest & Finance Charges | 1.16 | 1.94 |
| Depreciation | 33.10 | 31.34 |
| Profit Before Exceptional Items | (17.70) | (12.82) |
| Exceptional Items - Sundry Balances written back | 23.08 | - |
| Profit Before Tax After Exceptional Items | 5.38 | (12.82) |
| Less: Provision for Tax | - | - |
| Current Tax | 1.75 | 0.75 |
| Deferred Tax Credit / (Debit) | (2.68) | (6.86) |
| Tax for Earlier Years | 2.13 | - |
| Profit After Tax | 4.18 | (6.71) |
| Add: Balance brought forward from previous year | 177.44 | 184.15 |
| Balance available for appropriation | 181.62 | 177.44 |
| APPROPRIATIONS | | |
| Proposed Dividend | - | - |
| Corporate Dividend Tax | - | - |
| Transfer to General Reserve | - | - |
| Balance Carried to Balance Sheet | 181.62 | 177.44 |

DIVIDEND

Your Directors do not recommend any dividend on the equity shares for the year ended 31st March 2013.

PERFORMANCE

The Company's turnover for the year under review stood at Rs. 164.11 lacs (inclusive of excise duty and service tax) as compared to Rs. 315.29 lacs during the previous year.

The Operating Profit for the year is Rs. 16.56 lacs as against Operating Profit of Rs. 20.46 lacs in the previous year and Loss Before Tax (before extra ordinary item (income) of Rs. 23.08 lacs) is Rs. 17.70 lacs as against Loss of Rs. 12.82 lacs in the previous year.

CURRENT YEAR

The Sales and other income for the current year are Rs. 218.46 lacs as compared to Rs. 366.80 lacs of the previous year.

INCOME TAX

The Income Tax Assessments of the Company have been completed upto the Accounting Year 2007-2008

FIXED DEPOSITS

The Company did not accept/renew any deposits from the public during the year under review.

STATUTORY DISCLOSURES

A Statement giving the details regarding the 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 that

- a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed with explanatory notes relating to material departures.
- b) Appropriate accounting policies have been selected and applied consistently, judgements and estimates that are made 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) Proper and sufficient care has been taken 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) The annual accounts have been prepared on a going concern basis.

SECRETARIAL COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 is attached herewith as Annexure 'B'.

CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) has formulated a Code of Corporate Governance with regard to the Board of Directors, appointment of Committees, Remuneration of Directors, Board Procedures, Management, Shareholders, etc. and a Clause 49 has been incorporated in the Listing Agreement for ensuring compliances hereunder. The activities of the Company are managed by professionally competent and independent Board of Directors and although, the Company does follow some of the stipulations made under the said code, the said Clause 49 is not applicable to the Company.

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 is no employee 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 Articles of Association, Mr. Nihal Doshi and Mr. Ashok Ashtekar would retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. Further, Shri Manohar Bhide, Independent Director of the company has resigned from the directorship due to health reasons and the Board of Directors in their meeting held on 29th May 2013 has accepted the same.

AUDITORS

M/s. V. Sankar Aiyar & Co., Chartered Accountants, Mumbai, the existing Auditors retire at the ensuing Annual General Meeting of your Company. They have however, intimated to the company that they do wish to seek re-appointment. M/s V. Sankar Aiyar & Co., Chartered Accountants, Mumbai have indicated their availability and willingness to be appointed as Statutory Auditors of your Company. A resolution seeking your approval for the appointment of the said Auditors has been included in the notice convening the Annual General Meeting.

ACKNOWLEDGEMENT

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

On behalf of the Board of Directors

H. B. Doshi
Chairman

Registered Office:
Ravalgaon, Taluka Malegaon,
Dist. Nasik, Maharashtra,
Pin Code 423108
Date: 29th May 2013

ANNEXURE 'A' DIRECTORS' REPORT

Particulars as per Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY:

- I. In order to conserve energy, preventive maintenance of the Plant & Machinery is carried out on a regular basis. The production is taken in batches to obtain optimum output. For the manufacture of Company's products mainly electrical power is used. Diesel oil is also used to an extent for operating mobile crane and other material handling equipments.
- II. No additional investment for reduction of energy consumption is envisaged during the year.
- III. The average cost of energy consumed in relation to the total cost of production is negligible. Consequently a significant impact is not expected on the cost of production on account of reduction in the consumption of energy.

B. TECHNOLOGY ABSORPTION :

a. Research & Development (R & D)

- i. **Specified areas in which R & D carried out by the Company:** Efforts are continued on regular basis for further improvement in quality of the products. Improving and maintaining the quality of certain key raw materials mainly steel, paints, etc. are also given proper attention.
- ii. **Benefits derived as a result of the above R & D –** Maintenance of quality standards.
- iii. **Future Plan of Action :** Steps are continuously taken for the development of new products, up-gradation of technology and improvement of product quality with an aim of offering better products to the customers.
- iv. **Expenses on R & D:** The expenses incurred by the Company on R & D are primarily for testing of the product quality and specifications. Amount spent on such activity will therefore not be treated as expenses on Research and Development.

b. Technical Absorption, Adaptation and Innovation:

- i. **Effort, in brief, made for Technical Absorption, Adaptation and Innovation on the basis of the Company's own R & D activities :**

Absorption and adaptation of the new technology is a continuous process to meet the specific needs of the local market.

- ii. **Benefit derived as a result of the above efforts:**

Improvement of product quality, cost effectiveness and energy conservation are the major benefits.

- iii. **Imported Technology:**

- | | |
|---|--|
| (a) Technology imported : | For Automatic Weighing and Bagging Machines. |
| (b) Year of Import : | 1995 -96 |
| (c) Has technology been fully absorbed? | Yes |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- I. **Activities relating to exports; Initiatives taken to increase export; development of new Export Market for product and services; and export plans.**

The company is continuously making efforts to find export market for its products, particularly in the neighboring countries, Middle East and African countries.

- II. **Total Foreign Exchange Earnings and Outgo:**

During the year there were no export sales.

ANNEXTURE 'B' TO DIRECTORS' REPORT

To,
The Members,

Acrow India Limited
P.O Ravalgaon - 423108
Taluka – Malegaon, Dist Nasik,
Maharashtra

CIN L13100MH1960PLC011601
Nominal Capital Rs 1.00 CRORE

We have examined the registers, records, books and papers of M/s ACROW INDIA LIMITED (the company) as required to be maintained under the Companies Act, 1956 (the Act) and rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers, agents, we certify that in respect of the financial year ended on 31st March 2013:

1. The company has kept and maintained all the registers as stated in the Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all the entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board, or other authorities within the time prescribed under the Act and the rules made there under.
3. The company is a public limited company and has paid up capital of Rs 64,00,000/- (Rupees Sixty Four Lacs only) as on 31st March 2013.
4. The Board of Directors duly met 5 times on 9th May 2012, 30th July 2012, 10th August 2012, 8th November 2012 and 7th February 2013 and in respect of such meetings proper notices were given and proceedings were properly recorded and signed.
5. The company closed its Register of Members from Friday, 21st September 2012 to Saturday, 29th September 2012.
6. The Annual General Meeting for the financial year ended 31st March 2012 was held on Saturday, 29th September 2012 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31st March 2013.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act during the year. However there is an outstanding balance of loans already granted to one company, covered in the register maintained under section 301 of the Act. The outstanding amount of loan aggregates to Rs. 2.70 crores and the maximum amount outstanding during the year amounts to Rs 2.70 crores.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Govt.
12. The company has issued duplicate share certificates during the financial year after complying with the provisions laid down in the Act.
13. During the financial year ended 31st March 2013:
 - (i) The Company has delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. The company has not made any allotment of securities during the financial year.
 - (ii) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. No additional director was appointed during the year. There was no appointment of Alternate Directors and Directors to fill casual vacancies during the financial year ended March 31, 2013.
15. The appointment of Managing Director/Whole time Director/Manager has been made in compliance with the provisions of the Act.
16. The company has not made any appointment of sole selling agents during the year.
17. The company was not required to obtain any approvals of the Central Govt., Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares/debentures/other securities during the financial year.

Acrow India Ltd.

20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares/debentures during the financial year.
22. There was no transaction necessitating the company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits during the year under review and hence the question of complying with the provisions of Section 58A and 58AA read with the Companies (Acceptance of Deposits) Rules 1975/the applicable directions issued by the Reserve Bank of India/any other authority in respect of deposits accepted, including unsecured loans taken, does not arise.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2013 is within the borrowing limits of the company.
25. The company has given loans and made investments in other bodies corporate in compliance with the provisions of section 372A and has made necessary entries in the register kept for that purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered any of the provisions of its Articles of Association during the year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other penalties or punishments were imposed on the company during the financial year for any of the offences under the Act.
32. The company has not received any money as security from its employees during the year under certification.
33. The company has deposited both employees' and employer's contribution to Provident Fund with the prescribed authority pursuant to section 418 of the Companies Act, 1956

Place: Mumbai
Date: May 29, 2013

Signature
BIPIN RAJE
C.P No: 6147

ANNEXURE A

- (1) Register of Members u/s 150 of the Act
- (2) Register of Directors shareholding u/s 307 of the Companies Act, 1956
- (3) Register of Directors, Managing Director, Manager and Secretary u/s 303 of the Companies Act, 1956
- (4) Books of accounts as required under the Companies Act
- (5) Register of Particulars of Contracts in which Directors are interested u/s 301
- (6) Register of Directors Attendance
- (7) Minutes of the General Meetings and Board Meetings u/s 193 of the Act
- (8) Register of charges u/s 143 of the Act

ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, Mumbai during the financial year ended on 31st March 2013

| Sr. No | Form No/ Return | Filed Under Section | Purpose | Date of Filing | Whether filed in time | If delay in Filing, whether with Requisite late filing fees |
|--------|---|----------------------|---|----------------|-----------------------|---|
| 1 | Compliance Certificate | 383 A | Compliance certificate for the year ended 31 st March 2012 | 26/10/2012 | Yes | NA |
| 2 | Annual Return | 159 | Annual Return for the financial year ended 31st March 2012 | 18/12/2012 | No | Yes |
| 3 | Balance Sheet & Profit & Loss Account | 210 | For the Year Ended 31st March 2012 | 20/02/2013 | No | Yes |
| 4 | Cost Audit - Compliance Report | 209(1)(d), 600(3)(b) | For the Year Ended 31st March 2012 | 31/01/2013 | Yes | NA |
| 5 | Statement of unclaimed and unpaid amounts | Rule 3 of the IEPF | Statement of unclaimed and unpaid amounts-March 2011 | 23/12/2012 | Yes | NA |
| 6 | Statement of unclaimed and unpaid amounts | Rule 3 of the IEPF | Statement of unclaimed and unpaid amounts-March 2012 | 10/01/2013 | Yes | NA |