

59th Annual Report
2018-2019

ACROW

ACROW INDIA LIMITED

BOARD OF DIRECTORS

Mr. Harshavardhan B. Doshi

Chairman

Mr. Nihal H. Doshi

Director

Mr. Vikram Bhat

Independent Director

Mrs. Ramola S. Mahajani

Independent Director

Mr. Sanjay Shirgaonkar

Additional Director (From 05th February, 2019)

AUDITORS

M/s. Patkar & Pendse

Chartered Accountants

SOLICITORS

M/s Mulla & Mulla & Craigie Blunt & Caroe

BANKERS

Bank of Baroda

**REGISTRAR &
SHARE TRANSFER AGENT**

Freedom Registry Ltd.

Plot No. 101/102, 19th Street,

MIDC Industrial Area, Satpur,

Nashik – 422007

Tel No: (0253) 2354032

Fax No: (0253) 2351126

**FACTORY &
REGISTERED OFFICE**

Plot No 2 & 3,

Ravalgaon – 423108,

Taluka Malegaon,

District – Nashik, Maharashtra

Tel No: (02554) 645913 / 645914

Fax No: (02554) 270386

CORPORATE OFFICE

52, 5th Floor, Maker Tower 'F',

Cuffe Parade, Mumbai – 400005

Tel No: (022) 22184291 / 22186479

Fax No: (022) 22184294

Contents

Notice 02

Directors' Report..... 06

Auditors' Report (Standalone) 20

Standalone Financial Statements... 26

NOTICE

Notice is hereby given that the Fifty Ninth Annual General Meeting of the members of Acrow India Ltd will be held on Friday, 27th September, 2019 at 3.00 P.M. at Krida Mandal Hall, Ravalgaon – 423108, Taluka Malegaon, District Nashik, Maharashtra, to transact the following business:

Ordinary Business

1. To consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2019 along with the reports of the Board of Directors and Auditors thereon.
2. To appoint statutory auditors and pass with or without modifications(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Patkar & Pendse, Chartered Accountant, (Firm Registration No. 107824W) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this Annual General Meeting till the conclusion of 63rd Annual General Meeting of the Company, (auditors appointment done for the period w.e.f 7th January, 2019 uptill the conclusion of this AGM as per the EOGM held on 30th March 2019 to fill the casual vacancy) on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf”

3. To appoint a Director in place of Mr. Nihal Doshi who retires by rotation and being eligible offers himself for reappointment.

Special Business:

4. Appointment of Mr. Sanjay Ramchandra Shirgaonkar (DIN: 08352288) as a Director.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Sanjay Ramchandra Shirgaonkar (DIN: 08352288), who was appointed by the Board of Directors, as an Additional Director of the Company effective February 05, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 and any other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) (including any modification or re-enactment thereof) and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

Registered Office:

Plot No 2 & 3, Ravalgaon – 423108,
Taluka Malegaon, District – Nashik,
Maharashtra, India

CIN: L13100MH1960PLC011601

By Order of the Board of Directors

H. B. Doshi
Chairman

NOTES:

1. A member entitled to attend and vote at the Annual General 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 commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent 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.
2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given on Page No. 4.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 21st September 2019 to Friday, 27th September, 2019 (both days inclusive).

4. 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.
5. The Company has transferred the unpaid or unclaimed dividends declared upto financial years 2010-2011, from time to time on due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to provisions of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012. The shareholders are requested to note that no claim shall lie against the Company or the said IEPF after the transfer of unclaimed dividend to the fund.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Company or Freedom Registry Ltd.
7. At the ensuing Annual General Meeting, Director Mr. Nihal Doshi retires by rotation and being eligible offers himself for re-appointment. The information pertaining to the Director to be provided vide Clause 49 of the Listing Agreement with Stock Exchange is given below:

Name of Director	Mr. Nihal H. Doshi
Date of Birth	09/10/1983
Experience in specific areas and position held	Ten years of experience in finance and five years of experience in management
Qualification	B.Sc., magna cum laude, in economics from The Wharton School at the University of Pennsylvania, USA
Directorship in other companies (Excluding Foreign Companies)	Five
Shareholding	Nil

Registered Office:

Plot No 2 & 3, Ravalgaon – 423108,
Taluka Malegaon, District – Nashik,
Maharashtra, India
CIN: L13100MH1960PLC011601

By Order of the Board of Directors

H. B. Doshi
Chairman

Statement pursuant to Section 102(1) of the Companies Act, 2013, as amended ('Act')

The following Statement sets out all material facts relating to Item No. 4 mentioned in the accompanying Notice.

Item No. 4:

The Board of Directors ('Board'), appointed Mr. Sanjay Shirgaonkar as an Additional (Non-Executive, Independent) Director of the Company, effective February, 05 2019. Pursuant to the provisions of Section 161 of the Act, Mr. Sanjay Shirgaonkar will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing the candidature of Mr. Sanjay Shirgaonkar for the office of Director. Mr. Sanjay Shirgaonkar, once appointed will be liable to retire by rotation.

The Company has received from Mr. Sanjay Shirgaonkar (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and (iii) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Sanjay Shirgaonkar, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the Resolution set forth at Item No. 4 for the approval of the Members.

INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING.

The instructions for shareholders voting electronically are as under:

1. The voting period begins on Tuesday, 24th September 2019 at 10:00 hours and ends on Thursday, 26th September 2019 at 17:00 hours. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com.
3. Click on Shareholders.
4. 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.
5. Next enter the Image Verification as displayed and Click on Login.
6. 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.
7. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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 8 digits of the sequence number in the PAN field. In case the sequence 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 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	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
Note	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 member ID / folio number in the Dividend Bank details field as mentioned in instruction 4

8. After entering these details appropriately, click on "SUBMIT" tab.
9. Members holding shares in physical form will then directly reach 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

11. Click on the EVSN for Acrow India Ltd.
12. 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.
13. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
14. 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.
15. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
17. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. Note for Non – Individual Shareholders and Custodians
 - a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk. evoting@cdslindia.com.
 - c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - d. 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.
 - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
19. 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DIRECTORS' REPORT

Dear Members,

Your Directors present the 59th Annual Report together with the Audited Financial Statement of the Company for the financial year ended 31st March 2019.

1. FINANCIAL RESULTS

Particulars	Year ended 31st March 2019 (Rs. in lacs)	Year ended 31st March 2018 (Rs. in lacs)
Sales and Other Income	112.52	151.40
Operating Profit	42.27	37.87
Less: Interest and Finance Charges	0.58	0.19
Less: Depreciation	33.10	38.50
Profit Before Exceptional Items	8.58	(0.82)
Exceptional Items:	-	-
Profit on Sales of Assets	-	-
Profit Before Tax After Exceptional Items	8.58	(0.82)
Less: Provision for Tax:		
Current Tax	-	-
Deferred Tax Credit / (Debit)	(11.91)	(1.02)
Tax for Earlier Years	-	-
Profit After Tax	20.50	0.20
Add: Balance Brought Forward from Previous Year	1423.87	1423.67
Balance Available for Appropriation	1444.37	1423.87
Appropriations:		
Proposed Dividend	-	-
Corporate Dividend Tax	-	-
Transfer to General Reserve	-	-
Balance Carried to Balance Sheet	1444.37	1423.87

2. OPERATIONS

The Company has been engaged in the manufacture of engineering items namely equipment for the Sugar industry. However, it has temporarily stopped manufacturing operations to revisit the costing of its products.

3. DIVIDEND

Your Directors do not recommend any dividend on the equity shares for the year ended 31st March 2019.

4. TRANSFER TO RESERVES

The Company has proposed not to transfer any amount to General Reserve.

5. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Directors' confirm that:

1. In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
2. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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 year.

3. Proper and sufficient care has been taken for maintaining adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts have been prepared on a going concern basis.
5. The company has followed a proper internal financial control and that such internal financial controls are adequate and were operating effectively.
6. A system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the rules made thereunder.

7. EXTRACT OF ANNUAL RETURN

The extract of Annual Return of the Company is annexed herewith as Annexure 1 of this Report.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure 2 to this Report.

9. PARTICULARS REGARDING DIRECTORS, KEY MANAGERIAL PERSONNEL AND REMUNERATION PAID TO DIRECTOR AND KEY MANAGERIAL PERSONNEL

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rules forms part of the Report. No remuneration is being paid to the Directors and none of the employees of the Company is drawing remuneration in excess of the limits prescribed under the Act and Rules forming part thereof.

10. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS

Pursuant to Section 149 (4) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 the Central Government has prescribed that your Company shall have minimum two Independent Directors.

Your company has following Independent Directors:

Sr. No.	Name of the Independent Director	Date of appointment / reappointment	Date of passing of Special resolution, if any
1.	Mr. Vikram Bhat	15/07/2014	15/07/2014
2.	Mrs. Ramola Mahajani	08/07/2015	08/07/2015
3.	Mr. Sanjay Shirgaonkar	05/02/2019	05/02/2019

All the above Independent Directors meet the criteria of 'independence' prescribed under section 149(6) and have submitted declaration to the effect that they meet with the criteria of independence as required under section 149 (7) of the Companies Act, 2013.

11. RELATED PARTY TRANSACTION

The Company has entered into transactions with related parties in accordance with the provisions of the Companies Act, 2013 and the particulars of the contracts or arrangements with related parties referred to in Section 188 (1), as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 is appended as Annexure 3 of the Report. Your Directors draw attention of the members to Note 30 to the financial statement, which sets out related party disclosures.

12. MEETINGS OF BOARD

Five meetings of the Board of Directors were held during the year. Details are as under:

Sr. No	Date of the Meeting	Directors Present	Directors to whom Leave of Absence was granted
1.	04/05/2018	Mr. H. B. Doshi Mr. Nihal Doshi Mr Vikram Bhat Mrs. Ramola Mahajani	-
2.	10/08/2018	Mr. H. B. Doshi Mr. Nihal Doshi Mr Vikram Bhat Mrs. Ramola Mahajani	-
3.	13/11/2018	Mr. Nihal Doshi Mr. Vikram Bhat Mrs. Ramola Mahajani	-
4.	07/01/2019	Mr. H. B. Doshi Mr. Nihal Doshi Mr. Vikram Bhat Mrs. Ramola Mahajani	-
5.	05/02/2019	Mr. H. B. Doshi Mr. Nihal Doshi Mr. Vikram Bhat Mrs. Ramola Mahajani	-

13. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Vikram Madhusudhan Bhat (DIN: 00551104) was appointed for a term of five (5) consecutive years at the 54th Annual General Meeting of the Company. The members re-appointed Mr. Vikram Madhusudan Bhat (DIN: 00551104) at its duly conducted Extra Ordinary General Meeting on 30th March, 2019 for a second term of five consecutive years, beginning from 15th July, 2019 for and upto 14th July, 2024.

Your Board of Directors is of the opinion that Mr. Vikram Madhusudan Bhat fulfils the conditions specified in the Companies Act, 2013, the rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the appointment of an Independent Director, and that he is independent of the Management. However he has completed 75 years of age.

Mr. Sanjay Shirgaonkar (DIN: 08352288) was appointed as an Additional Director at duly held board meeting on 05th February, 2019 till the ensuing annual general meeting. Mr. Sanjay Shirgaonkar (DIN:08352288) is eligible for appointment as Independent Director of the Company.

He was welcomed on the Board.

14. CORPORATE GOVERNANCE

As per the requirements of SEBI regarding Listing Agreement and further with reference to Circular dated September 2014 stating amendment as, "The Clause 49 of the Listing Agreement shall be applicable to all companies whose equity shares are listed on a recognized stock exchange. However, compliance with the provisions of Clause 49 shall not be mandatory, for the time being, in respect of the following class of companies, i.e. companies having paid up equity share capital not exceeding Rs. 10 crore and Net Worth not exceeding Rs. 25 crores, as on the last day of the previous financial year." Since the Company's equity share capital and net worth are below the threshold limit, the Corporate Governance report is not prepared.

15. AUDITORS AND AUDIT REPORT

M/s Patkar and Pendse, Chartered Accountant, (Firm Registration No. 107824W) were appointed as Statutory Auditors of the Company at duly held Extra Ordinary General Meeting held on 30th March, 2019 as there arose casual vacancy. M/s. Patkar and Pendse were appointed for a period of one year and hence needs to be appointed for a further period of four years, which shall complete the first tenure of five years of the statutory auditors of the Company. The firm is now eligible for appointment of term of four years in the current annual general meeting ie from the conclusion of this annual general meeting untill the conclusion of 63rd annual general meeting.