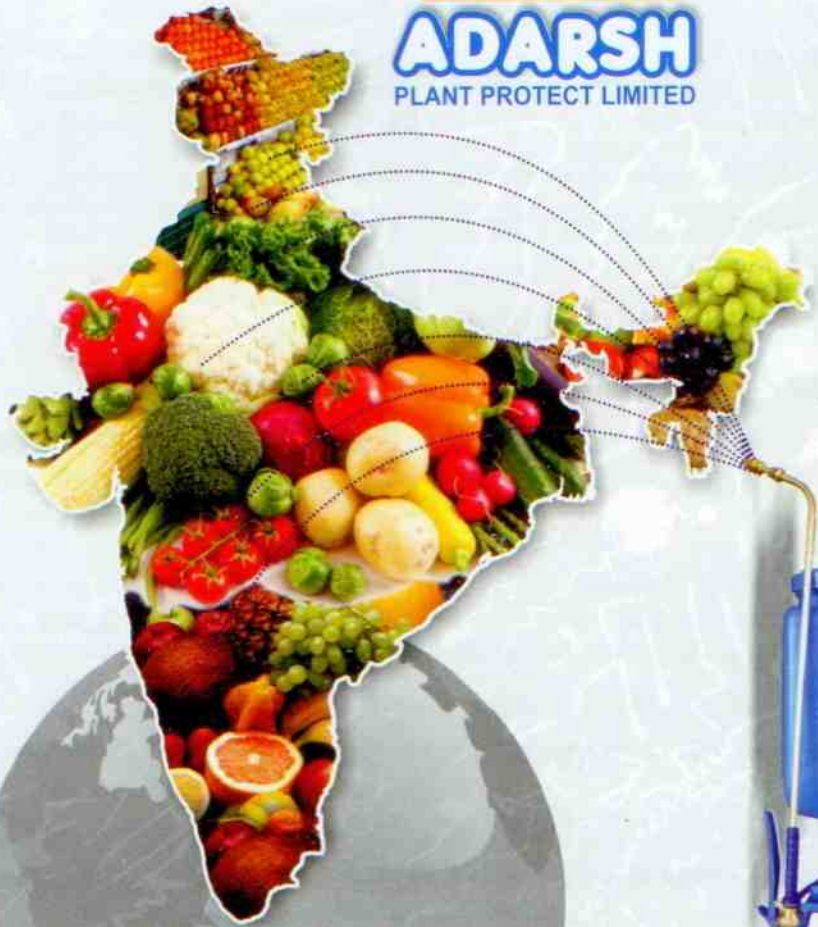
ANNUAL REPORT 2011 -2012

20th Annual Report : 1st April 2011 to 31st March 2012

ADARSH
PLANT PROTECT LIMITED







ADARSH PLANT PROTECT LIMITED

604, G.I.D.C., VITHAL UDYOGNAGAR - 388 121. GUJARAT (INDIA)

PH. : (02692) 236705 / 06, 645585, FAX : (02692) 236704

Website : www.adarshplant.com • Email : info@adarshplant.com • adarshplant@hotmail.com

ADARSH PLANT PROTECT LIMITED

20th Annual Report & Accounts
2011-2012

BOARD OF DIRECTORS

Shri Naishadbhai Patel	Chairman & Managing Director
Shri Atish Patel	Executive Director
Shri Kiritbhai Patel	Non Executive Director
Shri Kiranbhai Patel	Non Executive Director
Shri Arvindbhai Shah	Non Executive Director
Shri Jagdishbhai Patel	Non Executive Director
	Appointed W.E.F. 25-05-2012
Ms. Jyotiben Patel	Non Executive Director
Shri Hariharbhai Patel	Non Executive Director
	Resigned W.E.F. 25-05-2012

AUDITORS

M/S Mukund & Rohit
Chartered Accountants, Vadodara

BANKERS

Bank of Baroda
Vallabh Vidyanagar Branch

Company Law Consultants

D.G. Bhimani & Associates

Registered Office & Works

604, G.I.D.C., Vithal Udyognagar
Anand - 388 121 (Gujarat), India.

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Shareholders of ADARSH PLANT PROTECT LIMITED, will be held at Plot No. 604, G.I.D.C. Estate, Vithal Udyognagar, Anand – 388 121 on Monday, 3rd September, 2012 at 11:00 A. M. to transact the following ordinary and special business:

ORDINERY BUSINESS:

1] To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account for the year ended on 31st March, 2012 together with Director's Report and Auditors' Report thereon.

2] To appoint a Director in place of Mr. Kiranbhai Patel who retire by rotation and being eligible, offers himself for re-appointment.

3] To appoint a Director in place of Mrs. Jyotiben Patel who retire by rotation and being eligible, offers herself for re-appointment.

4] To appoint Auditors and fix their Remuneration

SPECIAL BUSINESS:

5] To pass with or without modification following resolution as an Ordinary Resolution.

"**RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of shareholders in general meeting, Mr. Jagdishbhai Patel, who was appointed as an Additional Director in the meeting of the Board of Directors held on 25th May, 2012 whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation."

By order of the Board of Directors
ADARSH PLANT PROTECT LIMITED

Date: 28th July, 2012
Place: Vithal Udyognagar

(NAISHADBHAI PATEL)
CHAIRMAN

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE, MUST BE LOGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. The Register of Members and the Share Transfer Books will remain closed from Monday, 3rd September, 2012 to Wednesday, 5th September, 2012 (both days inclusive).
3. Members are requested to:

(a) Intimate to the Company change, if any, in their address immediately.

(b) Quote their Registered Folio No. or Demat Account No. on all correspondence with the Company.

(c) Members who are holding physical Shares in more than one Folio are requested to intimate to the Company / Registrar & Share Transfer Agents and the details of all their Folio Numbers for consolidation in to a single Folio.

(d) Members who hold Shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.

(e) In view of the high cost of the paper and printing, the practice of handing out copies of Annual Report has been discontinued. Shareholders are therefore requested to bring their copies of the Report to the Meeting.

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting this 20th ANNUAL REPORT together with the Audited Accounts of the Company for the year ended on 31st March 2012.

FINANCIAL RESULTS

The Summery of the financial performance of the Company for the year ended 31st March, 2012 compared to the previous year is as below: (Rs. in Lacs)

		2011-2012	2010-2011
1	Turnover	521.23	607.98
2	Other Income	148.86	3.55
3	Total Income	670.09	611.53
4	Profit/(Loss) Before Depreciation, Interest and Tax	(11.97)	(37.63)
	Less/Add : Interest	35.07	48.84
	Depreciation	15.92	18.56
5	Profit/(Loss) Before Taxation	(62.96)	(105.03)
6	Income Tax	---	---
7	Profit /(Loss) After Taxation	(62.96)	(105.03)
8	Prior year's Expenses	00.26	00.47
9	Profit/(Loss) for the year	(63.22)	(105.50)

CURRENT YEAR PERFORMANCE

During the year under review there is a decrease in the turnover to Rs.521.23 lacs from Rs. 607.98 lacs in the previous year and it is mainly because of adverse market effect. Other income has increased to Rs.148.86 lacs from Rs. 3.55 lacs in the previous year due to sale of properties.

DEVELOPMENT OF NEW BUSINESS – BARREL MANUFACTURING PLANT

The company is already engaged in manufacturing Seed Processing Barrels. This product contributed Rs.330 Lakh the year 2011-12 as against Rs.170 Lakh in 2010-11.

The Company after careful market research thought to diversify in to other products and accordingly decided to enter into manufacturing of M. S. and G. I. Barrels on the vacant space available in the premises of the Company. Proposed plant is to manufacture 10,000 Nos. per month standard barrels of 210 liters capacity.

The management has collected some details from market about the production capacities of various Barrel plants located in Gujarat. As per the information available total production capacity of these plants works out to 250,000 to 310,000 barrels per month. Of these three major suppliers are located in Daman/ Silvasa and cater to both Gujarat and Maharashtra and they account for 170,000 to 200,000 barrels per month. The second group of manufacturers, four in numbers, account for around 50,000 to 80,000 barrels per month. Other manufacturers account for around 32,000 to 40,000 barrels per month.

While analyzing the capacity and capability, the management feels that by adding standard types of barrels will give company reach into industry other than agribusiness area. This will reach out the market throughout the year and insulate from the cyclical demand from the Agriculture based market for seed processing barrels.

The management at present has planned to enter the standard barrel market as it has a wide application across different industries from chemicals to agro-based products.

As per the study by the management demand for standard barrels is around 100,000 barrels per month in Gujarat region and with new chemical plants coming up in SEZ like Dahej and Hajira the demand is expected to shoot up. As the nearness to user saves cost of transportation the management intends to compete with the supplies from outside Gujarat and also take slice from the new demand that is being created. The management has already put the marketing team in action and as per the estimate the company can

consider at least 10,000 to 12,000 barrels per month from the first year operations. The management has already planned and commenced implementation and establishing manufacturing facilities at the existing manufacturing facility of the company.

DIVIDEND

In view of the continued accumulated losses incurred by the Company in previous years, your Directors do not recommend dividend on Equity Shares for the year ended on 31st March, 2012.

DELISTING FROM JAIPUR STOCK EXCHANGE

The Directors are pleased to inform the Shareholders that the Equity Shares of the Company are delisted from Jaipur Stock Exchange Limited with effect from 12th December, 2011. Equity Shares of the Company continuous to be listed only on Bombay Stock Exchange.

DIRECTORS

Mr. Hariharbhai Patel, Director of the Company resigned as Director of the Company and Board places on record his meritorious services rendered during his tenure as Director of the Company.

Mr. Jagdishbhai Patel was appointed as an additional Director of the Company by the Board of Directors at its meeting held on 25th May, 2012. The Company has received notice under section 257 from member for his appointment as Director and your directors recommend to appoint him as director.

Mr. Kiranbhai Patel and Mrs. Jyotiben Patel, Directors of the Company, retire by rotation as per the Articles of Association of the Company and they are eligible for re-appointment. Resolutions seeking approval of the Shareholders for their re-appointment have been incorporated in the Notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors of your Company State that:

1. in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the Directors have 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 or loss of the Company for that period;
3. the Directors have taken proper and sufficient care of 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;
4. the Directors have prepared the Annual Accounts on a going concern basis.

INSURANCE

The whole of the properties of the Company have been suitably insured and your Directors have taken care to take all necessary general insurances.

FIXED DEPOSITS

The Company has not accepted any deposits from the Public within the meaning of Section 58A of the Companies Act, 1956 and Rules made there under.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of the operations, performance and future outlook of the Company is given in the Management's Discussion and Analysis appearing as Annexure - 1 to this Report.

PARTICULARS OF EMPLOYEES

None of the employee is in receipt of remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE REPORT

Your Company has always given priority to incorporate standards for Good Corporate Governance. It has taken adequate steps to ensure that the provisions of Corporate Governance as prescribed pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are complied with.

A detailed report on the Corporate Governance is appearing as Annexure – 2 to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure – 3 to this report.

AUDITORS

The Company's Auditors M/S Mukund & Rohit, Chartered Accountants, Vadodara retires at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The members are requested to appoint Statutory Auditors for the current year and fix their remuneration.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for the whole-hearted support and the cooperation extended to the Company by its Vendors, Traders, Customers, Bankers and Financial Institutions, Central and State Government Authorities, Advisors, Auditors, Shareholders and the society at large.

Your Directors also place on record their appreciation for the contribution and hard work of employees across all levels, including sub-vendors and sub-contractors entire teams and their commitment, inspiration and hard work to put your Company in its present position.

ON BEHALF OF THE BOARD OF DIRECTORS

Date: 28th July, 2012

Place: VITHAL UDYOGNAGAR

NAISHADBHAI PATEL

CHAIRMAN & MG. DIRECTOR

ANNEXURE – 1: MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

(a) Industry structure and development.

The Company is engaged in manufacturing of Plant Protection Equipments and future of the Company largely depends on Country's Agriculture growth. The Company is continuously upgrading competencies in its products and faster product development, improved quality of manufacturing. Special focus is always given to improve upon the quality of Sprayers manufactured and keeping the goal to the need and the farmers the ultimate users of the Products with BIS Mark.

b) Opportunities and Threats

As the Members know that your Company is manufacturing Agriculture Plant Protection Equipments, which are used for Spraying and Dusting of various Plant Protection Chemicals. Any increase in input cost, failure of monsoon and higher levied components sourced from open market may affect demand of Company's products. The demand of the Products also depends upon the production and market scenario of pesticides being consumed by the Farmers the ultimate users of the Company's Products. The Company continues to face competition from un-organized sector and the challenge before your Company is to accelerate market growth, maintaining margins, which are under pressure in the current year due to increase in input cost of the materials used for manufacturing of Sprayer Pumps.

(c) Segment wise performance

The operations of the Company are in manufacturing of Plant Protection Equipments and also in the business of Windmill Frames and trading in Solar Energy Items.

(d) Material development in Human Resources

There has not been any major material development in 12 months period under review than those reported last year except that the Company has appointed qualified Engineers to improve upon the quality of the Products and follow up After Sales Service to the Customers.

(e) Outlook on threat, risks and concerns

i) With the single product – the Plant Protection Equipments and with the income from the sale of only these Products, the margins are always under pressure; however the management continues to put best efforts to improve the overall performance of the Company and has developed Seed Dressing Drums and this new product has received good response. Overall slowdown of the performance is to some extent due to late receipt of payment and thereby Company's working capital is affected and it becomes difficult to timely rotate the fund, however, rigorous efforts to collect overdue payment continue through field officers and the distributors and thereby improve liquidity of funds and manage the business successfully.

ii) Your Directors are now rigoursely looking for measures to pursue all available infrastructural, manufacturing and financial resources to the fullest extent and in the best interest of the Shareholders of the Company. Your Directors are also planning to enter into the field of manufacturing of barrels in addition to existing product line of manufacturing of Agriculture Plant Protection Equipments and thereby earn more revenue for the Company and in turn reflect the overall improved performance of the Company and reduce pressure on the margins which are always under pressure and it is a cause of concern to the Directors of the Company.

iii) Your Directors have developed, created and coordinated an efficient organizational system that could deliver high growth and progressive profit building business and all these initiatives have been put in to system which has been executed in the last quarter and will surely get reflected in the working of the current year.

(f) Internal control systems and their adequacy

The Company has adequate internal control systems commensurate with its size. Internal Auditors of the Company is entrusted the work of reviewing adequacy of internal control system and frequency of Audit compliance with the existing Accounting Standards. The duty of the Internal Auditors is to report to the Board of Directors and Audit Committee and place its report at every Board Meeting and also remain present to interact with Board and Audit Committee for any suggestion of improvement in the Internal Control / Audit Systems and steps to be taken thereon to improve the internal control system.

(g) Cautionary Statement

The report of the Board of Directors, Management Discussions and Analysis Report are forward looking and affirmative statements within the meaning of the applicable securities and regulations. The actual performance in the coming years could differ from what is expressed or implied. The factors that could affect the Company's performance are the economic and other factors that affect the demand–supply balance in the domestic market, changes in governmental regulations, policies, and tax laws and other statues and host of other incidental factors.

ANNEXURE – 2: CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

Your Company has been practicing the principles of good Corporate Governance, disclosure and transparency in all its activities. The Company believes that sound Corporate Governance is critical to enhance and retain investor confidence and trust and the management believes that it is the trustee of the Shareholders' capital and not the owner. Your Company has been greatly benefitlng from the invaluable inputs provided by the Non-Executive Independent Professional Directors, and all Members possess strong knowledge of accounting and financial management with vast experience, expertise and wisdom.

I. BOARD OF DIRECTORS

The Board has optimum combination of Executive and Non-Executive Directors and is in conformity with Clause 49 of the Listing Agreement entered in to with the Stock Exchanges, in which the Equity Shares of the Company are listed. The composition of the Board is as under:

3 Promoters (2 Executive Directors)

3 Non-Executive Independent Professional Directors

1 Non-Executive Director

None of the Directors hold Directorships in more than 15 Public Limited Companies.

None of the Directors received any loans and advances from the Company during the year.

No Director holds memberships of more than 10 Committees of Board or as any Director / Chairman of more than 5 Committee of Board.

Category and Attendance of Directors

Name of Directors	Category of Directorship	No. of Meetings Attended	Attended at Last AGM	Other Company		
				Director-ship held	Members in Committee	Chairman in Committee
Naishadbhai Patel	Promoter & Managing Director	7	Yes	4	0	0
Atish Patel	Promoter & Executive Director	7	Yes	4	0	0
Kiritbhai Patel	Promoter & Non Executive Director	5	No	3	0	0
Jyotiben Patel	Non executive Director	7	No	1	0	0
Kiranbhai Patel	Non executive Professional Director	6	Yes	0	1	1
Arvindbhai Shah	Non-executive Professional Director	7	Yes	1	1	0
Hariharbhai Patel	Non executive Director	6	No	0	0	0

Mr. Atish Patel and Mrs. Jyotiben Patel are related to Mr. Naishadbhai Patel, the Chairman & Mg. Director of the Company and none of the other Directors are related to any other Director.

The Audit Committee of the Company comprises of Non-Executive Professional Independent Directors viz., Mr. Kiranbhai M. Patel, as Chairman and Mr. Arvindbhai V. Shah as Director Members of the Committee.

BOARD MEETINGS

During the year 7 Meetings of the Board of Directors were held on 14th April, 2011, 28th April, 2011, 11th June, 2011, 28th July, 2011, 25th August, 2011, 22nd October, 2011 and 28th January, 2012. Sufficient notices were given to all the Directors before the Board Meeting and an Agenda of the subject matter were being circulated to all the Directors with the notice convening the Meeting.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board Members and the Senior Management personnel of the Company. All the Board Members and the Senior Management personnel have affirmed their compliance with the Code. The Managing Director of the Company has given Declaration to the

Company regarding the affirmation, which forms part of this Annual Report.

II. AUDIT COMMITTEE

The Audit Committee consists of 2 Independent Professional Directors and the composition of the Audit Committee is in conformity with Clause 49 (IIA) of the Listing Agreement.

During the year 4 Meetings of the Audit Committee were held on 28th April, 2011, 28th July, 2011, 22nd October, 2011 and 28th January, 2012 and the attendance of the Members at the meetings was as under:

Name of Member	Status	Category	No. of Meetings Attended
Kiranbhai Patel	Chairman	Independent Director	4
Arvindbhai Shah	Member	Independent Director	4

SHAREHOLDERS'/INVESTORS' COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises of 3 Directors and Mr. Naishadbhai Patel, Chairman & Mg. Director has been appointed as the Compliance Officer overseeing the investors' grievances and strengthening of investor relation. Shareholders'/ Investors' Grievance Committee headed by the Chairman of the Company was formed to review the status of investors' grievances and redressal mechanism and to suggest measures to improve the level of investor services.

III. SUBSIDIARIES COMPANIES

Your company has no subsidiary company.

IV. DISCLOSURES

(A) Basis of Related Party Transactions:

There were no materially significant transactions with related parties i.e. Promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Company's interest. All transactions with the related parties are put before the Board for their approval as and when required. The prior Government approvals whenever required have also been obtained by the Company before entering into any related party transactions.

(B) Board Disclosures – Risk Management

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures, which are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

(C) Remuneration of Directors

(a) The Non-Executive Directors do not receive any remuneration except sitting fees of INR 2500/- per meeting of the Board of the Company.

(b) The Company pays remuneration to the Executive Directors within the limits as specified in the Schedule XIII and other applicable provisions of the Companies Act, 1956.

Details of remuneration paid to the Executive Directors during the Financial Year 2011-2012

Mr. Naishadbhai Patel	Rs.4,80,000/-
Mr. Atish Patel	Rs.4,80,000/-

(D) Management

The Management Discussion & Analysis Report pertaining to external and internal environment of the Company has been annexed herewith.

(E) Shareholders

Your Company has the Shareholders' / Investors' Grievance Committee comprises of 3 Directors and Mr. Naishadbhai Patel, Chairman & Mg. Director has been appointed as the Compliance Officer overseeing the investors' grievances and strengthening of investor relation. Shareholders'/ Investors' Grievance Committee headed by the Chairman of the Company was formed to review the status of investors' grievances and redressal mechanism and to suggest measures to improve the level of investor services. The Company has provided the details of Directors seeking reappointment in the Notice of the Annual General Meeting attached with the Annual Report, information in cases of appointment or re-appointment of Directors as required under Listing Agreement is as under :

Sr. No.	Name	Date of Birth	Date of Appointment as Director	Expertise in specific function	Educational Qualification	No. of other Directorship
1	Jagdishbhai Patel	22.04.1950	25.05.2012	17 years	B.E. (Electrical) Diploma in Business Admn.	Nil
2	Kiranbhai M. Patel	30.10.1951	30.04.2005	30 years	C. A.	Nil
3	Jyotiben N. Patel	31.10.1956	20.12.2004	15 years	Matriculate	1

V. CEO/CFO CERTIFICATION

The Managing Director (de-facto Chief Executive Officer and the Chief Financial Officer) of the Company has certified to the Board regarding review of financial statements for the year, compliance with the Accounting Standards, maintenance of internal control for financial reporting, accounting policies, etc.

VI. REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report forms part of the Annual Report. Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange also forms part of this Annual Report.

VII. COMPLIANCE

There were no instances of non- compliances or any matter viz imposition of penalties or strictures on the Company by the Stock Exchange or SEBI or any statutory authority, related to the capital markets during the last Three Years.

The Company has complied with all mandatory requirements as stipulated in Clause 49 of the Listing Agreement.

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed hereto.

GENERAL BODY MEETINGS

The previous 3 General Body Meetings were held as under:

Annual General Meeting	Day, Date & Time	Venue
17th Annual General Meeting	Friday, 25.09.2009 at 11.00 A. M.	Registered Office
18th Annual General Meeting	Saturday, 25.10.2010 at 11.00 A. M.	Registered Office
19th Annual General Meeting	Saturday, 24.09.2011 at 11.00 A. M.	Registered Office

Postal Ballot

During the year , the Company has passed resolutions under Section 17 and 293(1)(a) of the Companies Act through postal Ballot mechanism.

MEANS OF COMMUNICATION

The Quarterly Results and Half Yearly Results of the Company are sent to the Stock Exchanges immediately after the approval of the Board of Directors and publish Quarterly Results within 48 hours of its approval. The Stock Exchange should be in a position to put it on its website.

The Annual Report of the Company contains inter alia, Audited Accounts, Directors' Report, Auditors' Report, Report on Corporate Governance and other important information and is circulated to the Members.

The Company also informs by way of intimation to the Stock Exchanges all price sensitive matters or such other matters which in its opinion are material and of relevance to the Shareholders.

GENERAL SHAREHOLDERS INFORMATION

Financial Calendar	:	From 1st April to 31st March
Annual General Meeting	:	Monday, 3rd September, 2012 at 11:00 A. M
Place of Meeting	:	Plot No. 604, G.I.D.C. Estate, Vithal Udyognagar, Anand – 388 121.
Date of Book Closure	:	Monday, 3rd September, 2012 to Wednesday, 5th September, 2012.