ANNUAL REPORT 2012 -2013

21st Annual Report : 1st April 2012 to 31st March 2013

ADARSH
PLANT PROTECT LIMITED













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

21th Annual Report & Accounts
2012-2013

BOARD OF DIRECTORS

Shri Naishadbhai Patel	Chairman & Managing Director
Shri Atish Patel	Executive Director
Shri Kiritbhai Patel	Non-executive Director Resigned W. E. F. 27.08.2012
Shri Kiranbhai Patel	Non-executive Director
Shri Arvindbhai Shah	Non-executive Director
Shri Jagdishbhai Patel	Non-executive Director
Ms. Jyotiben Patel	Non-executive Director

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 21st 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 Saturday, 28th September, 2013 at 11:00 A. M. to transact the following ordinary 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, 2013 together with Director's Report and Auditors' Report thereon.

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

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

4] To appoint Auditors and fix their Remuneration

By order of the Board of Directors
ADARSH PLANT PROTECT LIMITED

Date: 2nd August, 2013
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 Thursday, 26th September, 2013 to Saturday, 28th September, 2013 (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 21st ANNUAL REPORT together with the Audited Accounts of the Company for the year ended on 31st March 2013.

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)

		2012-2013	2011-2012
1	Turnover	302.14	521.23
2	Other Income	66.24	148.86
3	Total Income	368.38	670.09
4	Profit/(Loss) Before Depreciation, Interest and Tax	40.14	(11.97)
	Less/Add : Interest	39.12	35.07
	Depreciation	15.74	15.92
5	Profit/(Loss) Before Taxation	(14.72)	(62.96)
6	Income Tax	---	---
7	Profit /(Loss) After Taxation	(14.72)	(62.96)
8	Prior year's Expenses	---	00.26
9	Profit/(Loss) for the year	(14.72)	(63.22)

CURRENT YEAR PERFORMANCE

During the year under review there is a decrease in the turnover to 302.14 lacs from Rs.521.23 lacs in the previous year and it is mainly because of adverse market effect. Other income has also decreased to Rs. 66.24 lacs from Rs.148.86 lacs in the previous year.

In the current year orders from Agriculture Dept., Rajasthan valued around Rs.440 Lakhs has been received and execution is completed. The order is in final stage of finalization from Agriculture Department, Jammu & Kashmir around Rs.300 lakhs.

The company is unable to achieve targeted turnover as the product of the Company is sold through government department. The process involves, floating of tender, short listing and due to reasons beyond control of the company some of the tenders could not be encashed by the company as for one or the other reason the administrative clearance from district level could not be released. The product being of seasonal nature for whatever reason the orders are not cleared in time, the requirement will automatically shifts to next season.

Considering the fact the company had expanded the product line and the new product lines are now gaining good response, the Company introduced Seed Dressing.Drums and that has generated good response and has almost kept the Company floating.

The management had pumped in nearly Rs.200 Lakh to set up new plant for manufacturing M. S. / G. I. Barrels and due to shortage of funds the project was stretched beyond estimated time of implementation by at least 6 months. The management has commenced production but shortage of funds is stili making the production grow at a slow pace. The management is optimistic on the product front and expecting booking orders worth Rs.700 Lacs in the current year.

BARREL MANUFACTURING PLANT A PRESENT SENARIO

The barrel plant has been successfully commissioned in the second half of November, 2012 and looking to the current Economic Scenario and slow down in the Export Market, the management decided to concentrate & develop Specialized barrels like G.I. (G.P. Sheet) barrels & Composite barrels, where in the value additions are better and comparatively less competitions in catering to this segment.

We are glad to state that we have successfully developed G.I. (G.P. Sheet) barrels, M. S. Epoxy Coated barrels and our marketing department has been able to start supplies to some prestigious customers namely:

- Alembic Pharmaceuticals Limited.
- Chemcon Specialty Chemicals Pvt. Limited.
- Chemical Solutions
- Jayant Agro Organics Limited.
- Kutch Chemical Industries Limited.
- Lanxess India Pvt. Limited
- Shree Sulphurics Pvt, Limited
- Transpek Industry Limited.

Our production is increasing month by month and plan to double our sales in the next Quarter.

In the meantime, we are also trying to develop Composite barrels, whereby we can increase our Customer Profile and also develop another value added product to help us fulfill our Company Goals & future plans.

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, 2013.

DIRECTORS

Mr. Kiritbhai Patel, Promoter - 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 and Mr. Arvindbhai Shah, 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: 2nd August, 2013
Place: VITHAL UDYOGNAGAR

NAISHADBHAI PATEL
CHAIRMAN & MG. DIRECTOR

To be read together with Annexure 1 to 3 attached

ANNEXURES TO THE REPORT OF BOARD OF DIRECTORS

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 of 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, Barrels 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. The Company has recently entered into manufacturing of Specialized Barrels like G.I. (G.P. Sheet) Barrels & Composite Barrels and response is quite encouraging, 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.

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 Code of 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 benefiting 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, Professional expertise and wisdom.

Board of Directors

The Board has optimum combination of Executive and Non-Executive Professional 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:

2	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 Director	Category of Directorship	No. of Meetings Attended	Attended at Last AGM	Other Company Directorship held	Members in Committee	Chairman in Committee
Naishadbhai Patel	Promoter & Managing Director	4	Yes	4	0	0
Atish Patel	Promoter & Executive Director	4	Yes	4	0	0
* Kiritbhai Patel	Promoter & Non Executive Director	1	Yes	3	0	0
Jyotiben Patel	Non Executive Director	4	Yes	1	0	0
Kiranbhai Patel	Non Executive Professional Director	4	Yes	0	1	1
Arvindbhai Shah	Non-Executive Professional Director	3	Yes	1	1	0
** Hariharbhai Patel	Non Executive Director	0	No	0	0	0
Jagdishbhai Patel	Non Executive Professional Director	3	No	0	1	0

* Mr. Kiritbhai Patel, Promoter – Director resigned with effect from 27th August, 2012

** Mr. Hariharbhai Patel, Director resigned with effect from 25th May, 2012

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 Independent Professional Directors viz., Mr. Kiranbhai M. Patel, as Chairman, Mr. Arvindbhai V. Shah and Mr. Jagdisbhai Patel as Director Members of the Committee.

BOARD MEETINGS

During the year 4 Meetings of the Board of Directors were held on 25th May, 2012, 28th July, 2012, 27th October, 2012 and 9th February, 2013. Sufficient notice is given to all the Directors before the Board Meeting and an Agenda of the subject matter is being circulated to all the Directors with the notice convening the Meeting.

Sitting Fees

The Company pays Rs.2500/- as sitting fees to Non-Executive Directors for attending Board Meetings.

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 Memebrs 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.

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 redressale mechanism and to suggest measures to improve the level of investor services.

Details of remuneration paid to the Executive Directors during the Financial Year 2012-2013

The remuneration paid to Mr. Naishadbhai Patel, Chairman & Mg. Director and Mr. Atish Patel, Executive Director during the year ended on 31st March 2013 is as under:

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

AUDIT COMMITTEE

The Audit Committee consists of 3 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 25th May, 2012, 28th July, 2012, 27th October, 2012 and 9th February, 2013 and the attendance of the Members at the meetings was as under:

Name of Member	Status	Category	No. of Meetings Attended
Mr. Kiranbhai Patel	Chairman	Independent Director	4
Mr. Arvindbhai Shah	Member	Independent Director	3
Mr. Jagdishbhai Patel	Member	Independent Director	3

GENERAL BODY MEETINGS

The previous 3 General Body Meetings were held as under:

Annual General Meeting	Day, Date & Time	Venue
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
20th Annual General Meeting	Monday, 03.09.2012 At 11.00 A. M.	Registered Office

DISCLOSURES

The Company has not entered into any contract or transaction of material nature that may have a potential conflict with the interest of the Company with any of the Directors or their relatives or Promoters of the Company during the year.

The Company has paid Listing Fees for the year 2013 – 2014 to the Bombay Stock Exchange where the Company's Shares are listed.

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities and all Returns / Reports were filed within stipulated time with Stock Exchanges / other authorities.

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to Capital Markets during last 3 years.

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

Date of Book Closure: Thrusday, 26th September, 2013 to Saturday, 28th September, 2013 (Both days inclusive)

Listing of Equity Shares :	Mumbai Stock Exchange
Stock Exchange Code	adarshpl
ISIN No.	INE627D01016
Mumbai Stock Code	526711

Publication of Quarterly Financial Results

First Quarter Results	end of July
Second Quarter Results	end of October
Third Quarter Results	end of January
Fourth Quarter Results	end of April

MARKET PRICE DATA

The High & Low market prices of the shares at The Stock Exchange, Mumbai are as under

Month	Share Price		BSE SENSEX Corresponding to Share Price	
	High	Low	High	Low
April, 2012	05.91	05.47	17597.42	17096.68
May, 2012	05.50	04.97	16912.71	15948.10
June, 2012	04.50	03.81	17429.98	15965.16
July, 2012	04.02	03.43	17618.35	16639.82
August, 2012	05.39	03.40	17885.26	17197.93
September, 2012	07.35	05.65	18694.41	17313.34
October, 2012	07.35	07.25	19058.15	18430.85
November, 2012	07.00	06.33	19333.99	18309.37
December, 2012	06.30	05.70	19486.80	19229.26
January, 2013	05.42	04.02	20103.35	19580.81
February, 2013	04.00	03.13	19781.19	18861.54
March, 2013	03.43	03.12	19683.25	18681.42

DISTRIBUTION OF SHARE HOLDING AS ON 30TH JUNE, 2013

No. of Shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1 -- 500	3558	87.61	600981	6.06
501 -- 1000	215	5.29	180618	1.82
1001 -- 2000	111	2.73	17956	1.73
2001 -- 3000	39	0.96	96273	0.97
3001 -- 4000	21	0.52	75395	0.76
4001 -- 5000	23	0.57	111344	1.12
5001 -- 10000	37	0.91	273635	2.76
10001 & above	57	1.40	8401298	84.76
Total:	4061	100.00	9911500	100.00

SHARE TRANSFER SYSTEM

The Share transfers in physical form are processed and the duly transferred Share Certificates are returned