



AVON CORPORATION LTD.

14th

Annual Report - 2012-13

The achievement of something desired

AVON CORPORATION LIMITED
ANNUAL REPORT 2012-13

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BOARD OF DIRECTORS

Pankaj Saraiya	Chairman/Managing Director
Rupal Saraiya	Wholetime Director
Shantaben Saraiya	Director
Ramesh Joshi	Non Executive & Independent Director
Satish Mehta	Non Executive & Independent Director
Gaurav Sinha	Non Executive & Independent Director

COMMITTEES

1. AUDIT COMMITTEE

Ramesh Joshi	Chairman
Satish Sinha	Member
Gaurav Sinha	Member

2. INVESTOR GRIEVANCE COMMITTEE

Ramesh Joshi	Chairman
Satish Mehta	Member
Pankaj Saraiya	Member

STATUTORY AUDITORS

Atul B. Shah & Co.

180/B, Lamington Road,
Mumbai – 400 007.

REGISTERED OFFICE

Avon Corporation Limited

DLH PARK (commercial Premises),
Office No. 1106, 11th Floor, S.V. Road,
Near MTNL, Goregaon (W),
Mumbai, Maharashtra – 400 067

BANKERS

State Bank of India
HDFC Bank
Axis Bank Ltd

REGISTRAR & SHARE TRANSFER AGENT

Datamatics Financial Services Limited

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CHAIRMAN'S STATEMENT

PANKAJ P. SARAIYA
(CHAIRMAN & MANAGING DIRECTOR)

**At AVON CORP, it has been our considered strategy to build businesses
that straddle the core sectors of the Indian economy.**

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CHAIRMAN'S STATEMENT

Dear Fellow Shareholders,

It is a privilege and an honour to present to you Avon Corporation Limited, 14th Annual Report and the audited accounts for the financial year ended 31st March, 2013. For all of us at Avon, it was a satisfactory year strategically and operationally. Operationally, Avon has recorded an all-round superior performance where our endeavours to strengthen market (profitability) position, improve efficiencies, tighten costs and sweat assets have paid handsome returns. Company's business demonstrated a significant improvement benefiting from better economic conditions, aggressive marketing and brand promoting efforts. Our focus is on three key aspects of value creation, i.e., profitability, asset-productivity and growth. a great pleasure to share with you the highlights of preceding year of significant achievements.

During the year, your Company achieved a total Consolidated turnover of Rs. 611959135.23 and a Consolidated net loss of around Rs. 1262512176.88.

The overall financial position of the Company remains strong. The Company's cash flows remain healthy. More importantly, the performance of our Company has shown healthy improvement over the quarters. Our business have demonstrated considerable improvement in terms of volumes and pricing during the year, thus clearly pointing towards changing fortunes of our business, with the economy gearing towards improvement.

Structural Initiatives

To align the interest of shareholders and employees, and to manage capital better, we have made a strategic move to open a wholly owned subsidiary at Sharjah Free Zone & China. This decision helps us focus on enhancing our sales volume and growth. It also aids our Company in making it as market-driven and agile as possible.

The company plans to expand across all geographies, while continuing to focus on different sections like Hospitals, Gyms, fitness center, Pharma, Chemicals, R&D, Retail, Govt., Semi-govt. Avon Corporation Ltd. leads and sets the yardstick for a fast-growing industry and is determined to live up to its shareholders' expectations, including shareholders, customers, governments and all members of the communities we operate in.

Summary

In essence, the Company's growth over the next few years will be driven by the new line of products, which appear to have strong growth prospects. The expected positive outlook coupled with well-thought strategies planned for this business will ensure improved volume and profitability in our operations. Efficient utilization of physical and strategic assets will be the key driver for creation of value in future. Our strategies are geared to deliver enhanced value for shareholders in future.

At this juncture, I would like to take the opportunity of placing on record my appreciation of our employees and the management team at Avon Corporation. Their dedication and commitment have enabled us to reach our goals. Our employees are integral to our success and to sustain shareholder value creation. The future holds immense promise for us and we are geared to measure up to every challenge that leaps at us. We have made a good start. We take our learning into the next year with confidence, spirit and passion.

I take this opportunity to thank my team for standing together in our effort.

With warm regards

Sd/-

Pankaj P. Saraiya

(Chairman & Managing Director)

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **14th Annual General Meeting** of the Members of the Company will be held on, **Monday, 30th September 2013 Time 02.30 PM** at Roshani Computer Service Pratik Plaza 7 Floor Office No 701, Opposite Patel Auto, S V Road, Goregaon West, Mumbai - 400062, Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended March 31, 2013 and Balance Sheet as at that date together with Reports of the Directors and Auditors thereon.
2. To re-appoint Mrs. Shantaben P. Saraiya as Director of the Company on retirement by rotation
3. To appoint M/s. AST & ASSOCIATES, Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

"RESOLVED THAT subject to the provisions of Section 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. AST & ASSOCIATES, Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting in place of the retiring Auditors, M/s. Atul B Shah & Co. Chartered Accountants, to audit the accounts of the Company for the financial year 2013-14 at remuneration to be fixed by the Board of Directors on the recommendation of the Audit Committee of Directors."

SPECIAL BUSINESS:

1. Appointment of Mr. Gaurav Sinha as Director of the company
"RESOLVED THAT Mr. Gaurav Sinha be appointed as a Director who was appointed by board of directors an Additional Director of the Company with effect from 14th Feb 2013 and who holds office upto the date of the ensuing Annual General Meeting of the Company under section 260 of the Companies Act 1956 and Article 94 of the Articles Of Association."
2. Appointment of Mr. Satish Mehta as Director of the company
"RESOLVED THAT Mr. Satish Mehta be appointed as a Director who was appointed by board of directors an Additional Director of the Company with effect from 14th Feb 2013 and who holds office upto the date of the ensuing Annual General Meeting of the Company under section 260 of the Companies Act 1956 and Article 94 of the Articles Of Association."
3. The Chairman will discuss the matter, to consider resignation letter of Statutory Auditor M/s Atul B Shah & Co, Charter accountant, Mumbai dated 28/08/2013 who have expressed their unwillingness due to his other preoccupation w.e.f.28th Aug, 2013

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BRIEF RESUME OF PERSONS PROPOSED TO BE APPOINTED/RE-APPOINTED AS DIRECTORS OF THE COMPANY AT THE ANNUAL GENERAL MEETING:

Name	Mr. Satish Mehta	Gaurav Sinha
Date of Birth	26/02/1949	29/08/1986
Qualification	B.Com	Company Secretary
Nature of Expertise & Experience	Experience in to various kind of Marketing in malty Vast layer industries. Such as Government & Semi Government Sector, MNC'S & Big Corporate Organizations. Specialized for project technology support, innovation & requirement of new machineries. Specialized in Study the market analysis & cost reduction. Corporate Law	
Name of other Public Companies in which also holds Directorship	None	None
Name of other Companies in Committees of which holds Membership/ Chairmanship	None	None
Shareholding in Avon Corporation Limited	Nil	Nil

“**RESOLVED THAT** pursuant to the resignation letter of Statutory Auditor M/s Atul B. Shah & Co. Charter accountant, Mumbai dated 28/08/2013 from the post of Statutory Auditor w. e. f 28/08/2013. due to his other preoccupation be and is hereby accept the same

RESOLVED FURTHER THAT Mr. Pankaj P. Saraiya Director be and is hereby authorized to sign, execute and submit all document necessary and to do all act, deed & things on behalf of the Company in this concern

None of the Director are interested in this resolution.

To consider and if thought fit passed above resolution

For Avon Corporation Limited
Sd/-
Pankaj P Saraiya
(Chairman & Managing Director)

Place: Mumbai

Date: 5th September, 2013

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Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. The proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued by the member organization.
2. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business is annexed hereto.
3. Members are requested to:
 - a) complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - b) bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - c) send their question at least 10 days in advance before the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
4. Members are requested to forward all application for Transfer, Demat, and all other share related correspondence, including intimation of change of address, if any, Registrar and Transfer Agents of the Company at the following address:

Datamatics Financial Services Ltd.

Unit: Avon Corporation Ltd., Plot No. A-16 & 17, MIDC,

Part B Crosslane, Marol, Andheri (East),

Mumbai – 400 093.

Tel: 91-022-66712151

Fax: 91-022-66712161

Email: prashant_vaidya@dfssl.com

Website: www.dfssl.com

5. The Register of Members and Share Transfer Book of the Company will remain closed from 23rd September, 2012 to 30th September, 2013 (including both days).

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Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.

1. Mr. Gaurav Sinha was appointed as Additional Director of the Company with effect From 14th Feb 2013 pursuant to the provisions of the section 260 of the Companies Act 1956 and Articles 94 of the Article of Association of the Company and hold office upto the date of this Annual General Meeting
2. Mr. Satish Mehta was appointed as Additional Director of the Company with effect From 14th Feb 2013 pursuant to the provisions of the section 260 of the Companies Act 1956 and Articles 94 of the Article of Association of the Company and hold office upto the date of this Annual General Meeting

On behalf of the Board
For Avon Corporation Limited
Sd/-
Pankaj P Saraiya
(Chairman & Managing Director)

Place: Mumbai

Date: 5th September, 2013

Registered Office:

Avon Corporation Ltd.

DLH PARK , Office No.:1106,

11th Floor, Near MTNL,

S.V.Road, Goregaon (W),

Mumbai, Maharashtra- 400 067.

The Ministry of Corporate Affairs has taken a Green initiative in Corporate Governance by allowing paperless compliance by companies. Accordingly, companies can now send various documents electronically to those shareholders who register their email addresses.

To receive all communications including Annual Reports by e-mail:

- **Holders of shares in physical form are requested to fill up the postage pre-paid e-mail registration form set out at the next page and send it to the share transfer agents, M/s. Datamatics Financial Services Ltd.**
- **Members holding shares in demat form may register their e-mail ID's with the Company or the depository participant.**

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E-Mail Registration

To,
Datamatics Financial Services Ltd,
Unit: Avon Corporation Ltd, Plot No. A-16 & 17, MIDC,
Part B Crosslane, Marol,
Andheri (East),
Mumbai 400093
Tel: 91-022-6671251
Fax: 91-022-6671261
Email: salim_shaikh@dfssl.com
Website: www.dfssl.com

Dear Sir/Madam,

Sub: Registration of E-Mail ID for receiving communications in electronic form.

I am a Shareholder of company. I want to receive all communications from the company including AGM and General Meeting notices and explanatory statement (s) thereto. Balance Sheets, Director's Report, Auditor's Reports etc. through e-mail. Please register my e-mail ID set-up below, in your record for sending communication through e-mail:

Folio No.* _____

Name of 1st Registered Holder* _____

Name of Joint Holder(s) _____

Address* _____

Pin Code* _____

E-Mail ID* _____

Contact Tel. No* _____ Mobile _____

Landline _____

Date _____ Signature of First Holder _____

Important Notes:

- Fields marked* are mandatory for registration of the e-mail ID.
- On registration, all these communication will be sent to the e-mail ID registered in the folio.
- Any change in e-mail ID, from time to time, may please be registered in the records of the company.

Demat of Shares: I would like to know the procedure to demat my physically held shares of Avon Corporation Limited please contact at my above number.

Yes _____

No _____