



28th
ANNUAL REPORT
2012-13



CREATIVE
CASTINGS LIMITED



-: BOARD OF DIRECTORS :-

Shri Dhirubhai H. Dand	Chairman
Shri R. R. Bambhania	Managing Director
Shri V. D. Patel	Executive Director
Shri S. V. Vaishnav	Executive Director
Shri N. C. Vadgama	Director
Shri S. M. Thanki	Director
Shri V. R. Vaishnav	Director

AUDITORS:**SUBHASH AKBARI & CO.**

Chartered Accountants,
223 Shikhar Complex,
Jayshree Talkies Road, JUNAGADH
Phone : 0285 - 26 23 479

REGISTRAR & TRANSFER AGENT:**LINK INTIME INDIA PVT. LTD.**

C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (w),
Mumbai-400 078.
Phones : 022-25963838, Fax : 022-25946969
Email : rnt.helpdesk@linkintime.co.in

REGISTERED OFFICE & WORKS**CREATIVE CASTINGS LIMITED**

102, GIDC-II, Rajkot Road,
Dolatpara, JUNAGADH
Phone : 0285-2660224 / 2660254
E-Mail : info@creative-cast.com

BANKERS:**STATE BANK OF INDIA**

Circle Chowk, JUNAGADH-362001.

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NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the **28th Annual General Meeting** of the members of **CREATIVE CASTINGS LIMITED** will be held on **Monday, the 19th August, 2013 at 11.00 a.m.** at the Registered Office of the Company situated at 102, G.I.D.C., Phase-II, Rajkot Road, Dolatpara, Junagadh – 362 003. to transact the following Businesses.

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Balance sheet as at **31st March, 2013** and the Statement of Profit & Loss for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To declare 80% dividend on Equity Shares.
3. To appoint a Director in place of **Mr. N. C. Vadgama**, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESSES:

5. To consider and if thought fit, to pass with or without modifications, the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII of the Act, consent of the members be and is hereby accorded to the re-appointment of Mr. Rajan R. Bambhanian as Managing Director of the Company for a period of three years from 1st June, 2013 to 31st May, 2016 and for payment of remuneration, perquisites and benefits on the terms and conditions as per the agreement entered between the Company and Shri Rajan R. Bambhanian."

6. To pass with or without modification following resolution as an ORDINARY RESOLUTION.

"RESOLVED THAT M/s. M. Buha & Co., Vadodara, Company Secretary in Whole time practice be and is hereby reappointed to issue Compliance Certificate for the financial year 2013-14 at the remuneration as may be decided by the Board Of Directors"

7. To pass with or without modification following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to provisions of Section 255, 257 and other applicable provisions, if any of the Companies Act, 1956, notice and sum of deposit of Rs. 500/- (Rupees five hundred only) received by the Company pursuant to provisions of Section 257(1) of the Act from Mr. D. H. Dand, a member, holding 26,500 equity shares of the Company, proposing candidature of Mr. Parshotambhai Manjibhai Nadpara, for the office of director, the approval of members of the

Company be and is hereby accorded to appoint Mr. Parshotambhai Manjibhai Nadpara, as a director, liable to retire by rotation."

8. To pass with or without modification following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to provisions of Section 255, 257 and other applicable provisions, if any of the Companies Act, 1956, notice and sum of deposit of Rs. 500/- (Rupees five hundred only) received by the Company pursuant to provisions of Section 257(1) of the Act from Mr. D. H. Dand, a member, holding 26,500 equity shares of the Company, proposing candidature of Mr. Hiren Narottam Vadgama, for the office of director, the approval of members of the Company be and is hereby accorded to appoint Mr. Hiren Narottam Vadgama, as a director, liable to retire by rotation."

9. To pass with or without modification following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to provisions of Section 255, 257 and other applicable provisions, if any of the Companies Act, 1956, notice and sum of deposit of Rs. 500/- (Rupees five hundred only) received by the Company pursuant to provisions of Section 257(1) of the Act from Mr. D. H. Dand, a member, holding 26,500 equity shares of the Company, proposing candidature of Mr. Jignesh Shashikant Thanki, for the office of director, the approval of members of the Company be and is hereby accorded to appoint Mr. Jignesh Shashikant Thanki, as a director, liable to retire by rotation."

10. To pass with or without modification following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to provisions of Section 255, 257 and other applicable provisions, if any of the Companies Act, 1956, notice and sum of deposit of Rs. 500/- (Rupees five hundred only) received by the Company pursuant to provisions of Section 257(1) of the Act from Mr. D. H. Dand, a member, holding 26,500 equity shares of the Company, proposing candidature of Mr. Pinak Shashikant Thanki, for the office of director, the approval of members of the Company be and is hereby accorded to appoint Mr. Pinak Shashikant Thanki, as a director, liable to retire by rotation."

BY ORDER OF THE BOARD
For Creative Castings Ltd

PLACE : JUNAGADH
DATE : 27/05/2013

(Dhirubhai H. Dand)
CHAIRMAN

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 12th August, 2013 to Monday the 19th August, 2013 (both days inclusive).
3. Members who hold the shares in dematerialized form are requested to bring their Client ID and DP ID for easier identification of attendance at the AGM.
4. Members holding the shares in physical mode are requested to notify immediately for change of their address and bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form then information should be passed on directly to their respective Depository Participants and not to the Company / Registrar & Share Transfer Agent without any delay.
5. The dividend as recommended by the Board, if declared at the meeting, will be payable to those members whose names appear on the Company's Register of Members as on 19th August, 2013.
6. Any request by demat holders for change of bank particulars after dispatch of Dividend Warrant should be accompanied by copy of Client Master list showing the changed bank details.
7. In terms of Section 205A and 205C of the Companies Act, 1956, any dividend remaining unclaimed for a period of seven years from the due date of payment is required to be transferred to the ' Investors' Education and Protection Fund (IEPF). Accordingly, the unclaimed dividend for the financial year 2005-06. Members, who have not encashed their dividend warrant so far, for the financial year 2005-2006 and the subsequent years, are requested to make their claims to the office of the Registrars Transfer Agents, Link Intime India Pvt Limited. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the Company or the said fund in respect of any amounts which were unclaimed / unpaid for a period of seven years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.
8. As required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed are as per attached Annexure .
9. The Agreement executed with Mr. Rajan R. Bambhanian for his reappointment will be accessible during the ensuing Annual General Meeting of the Company.

BY ORDER OF THE BOARD
For Creative Castings Ltd

PLACE : JUNAGADH
DATE : 27/05/2013.

(Dhirubhai H. Dand)
CHAIRMAN

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING**DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN ANNUAL GENERAL MEETING TO BE HELD ON 19TH AUGUST, 2013**

Name of Director	Mr. N. C. Vadgama
Date of Birth	15/11/1947
Date of Appointment	22/11/1985
Qualification	D. M. E.
Expertise in specific functional areas	35 years of Experience in Engineering field.
List of other Companies / LLP	<u>Public Companies</u>
In which holding the position Of Director	Austin Engg. Co. Ltd.

ANNEXURE TO NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT IN PURSUANCE OF SEC.173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS OF ITEM NOS. 6 TO 10 OF THE NOTICE.

Item No. 5

Mr. Rajan R. Bambhania is working with the Company since 01/04/2002. During his tenure as a Managing Director, the Company has progressed well. His terms of appointment ended on 31st May, 2013.

Pursuant to provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Shri Rajan R. Bambhania re-appointed as Managing Director of the Company for the term of Three Years commencing from 1st June, 2013 upon the terms and conditions setout in the Agreement executed between the Company and him.

The extract of material terms of appointment (agreement) as setout hereinafter shall end on 31st May, 2016:

1. Monthly Remuneration by way of salary, dearness allowance, perquisites and other allowances not exceeding of Rs. 50,000/- (Rupees Fifty Thousand only) per month e.e.f. 1st June, 2013 in the pay scale of Rs. 65000-5000-80000.

a) Perquisites:

- i) Contribution of provided fund, superannuation fund or annuity fund to the extent singly or put together are not taxable under the Income-tax Act, 1961;
- ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- iii) Encashment of Leave at the end of tenure;
- iv) The Managing Director shall be entitled to other perquisites as are allowed to executives in the Company based on the approval of the Board of Directors from time to time.

Your Directors hereby recommended this resolution.

None of the Directors of the Company concerned and interested in the resolution except Mr. Rajan R. Bambhania.

Item No. 6

Pursuant to Section 383A of the Companies Act, 1956, it is mandatory for our company to obtain a Compliance Certificate from Company Secretary in Whole time practice, The Board of Directors, therefore, recommends appointing M. Buha & Co. Company Secretary in whole-time practice, to obtain certificate for the financial year 2013-14.

None of the Directors are interested in the above Resolution.

Item No. 7 to 10 (both are inclusive)

The Board of Directors' meeting held on 27th May, 2013 has considered the notices received from a Shareholder of the Company pursuant to Section 257(1) of the Companies Act, 1956, recommending candidatures for the appointment of (1) Mr. Hiren N. Vadgama (2) Mr. Jignesh S. Thanki (3) Mr. Pinak S. Thanki and (4) Dr. Parshottambhai M. Nadpara as a Director of the Company at the ensuing Annual General meeting of the Company. At the meeting, the Company has also received the cheques of requisite amounts towards the deposit as required under section 257(1) of the Act.

Education and Experience of proposed appointees:

- (1) **Mr. Hiren N. Vadgama:** He is done his engineering in Mechanical stream and having more than 15 years of experience in the field of engineering and trading sector. He has gained diversified experience from various industries and attained expertise in trading and marketing of goods/products in domestic and export market. His appointment might lead to the Company at greater heights.
- (2) **Mr. Jignesh S. Thanki:** He is Bachelor of Engineering in Mechanical stream and having around 15 years of experience in the field of engineering. During his carrier building, he has actively devoted his efforts to identify new and efficient techniques for industries. He has spent almost 10 years in R & D of industries techniques. His appointment would be plus point for the Company in this competitive market.

- (3) **Mr. Pinak S. Thanki:** While looking his educational front, he has qualification of Bachelor of Business & Information Management and Diploma in Mechanical Engineering. He is efficient in the managing of affairs of the Company. He has experience of 7 years in Management field. His vision and entrepreneur skill will aid the Company in the growth race.
- (4) **Dr. Parshottambhai M. Nadpara:** Possess the qualification of M.D.(Physician) having around 39 years of experience. In manufacturing sector, the human assets plays major role and to retain efficient and healthy human assets their health concern plays big role. Considering the same, the management of your company eagerly put forwards the proposal for his appointment.

Relation with other Directors of the Company:

- (1) Mr. Hiren N. Vadgama is son of Mr. N.C. Vadgama, Director of the Company.
(2) Mr. Jignesh S. Thanki & Mr. Pinak S. Thanki are son of Mr. S. M. Thanki, Director of the Company.

The Board hereby recommends to pass necessary resolutions for the appointment of Directors as set out in the item nos. 6 to 10 of the Notice.

So far as this resolution is concern, none of the Directors are interested except Shri N. C. Vadgama & Shri S. M. Thanki.

BY ORDER OF THE BOARD
For Creative Castings Ltd

PLACE : JUNAGADH
DATE : 27/05/2013

(Dhirubhai H. Dand)
CHAIRMAN

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the **28th Annual Report** together with the Audited Accounts of the Company for the Year ended 31st March 2013.

FINANCIAL RESULTS	For the Year 2012-13 Rs.	for the Year 2011-12. Rs.
	-----	-----
Gross Profit before Interest, Depreciation and Taxation	3,89,05,969	3,96,13,087
Less: Interest	1,37,895	10,13,029
	-----	-----
Profit before Depreciation	3,87,68,074	3,86,00,058
Less : Depreciation	73,85,731	70,13,086
	-----	-----
Profit before Tax	3,13,82,343	3,15,86,972
Less : Provision for Taxes		
- Current Tax	90,00,000	92,50,000
- Deferred Tax	(15,66,530)	(12,84,153)
	-----	-----
	74,33,470	79,65,847
	-----	-----
Profit after Tax	2,39,48,873	2,36,21,125
Surplus B/F From last year	4,99,89,605	3,69,22,943
	-----	-----
Profit available for appropriation	7,39,38,478	6,05,44,068
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APPROPRIATIONS:		
1) Proposed Dividend @ 80% (Previous year 50%)	1,04,00,000	65,00,000
2) Provision for tax on the above dividend.	17,67,480	10,54,463
3) General Reserve	30,00,000	30,00,000
	-----	-----
Balance C/F to next year....	5,87,70,998	4,99,89,605
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PERFORMANCE:

Performance of the company during the year under review was considerably grown up. The Turnover has increased from Rs. **29,64,00,042** to Rs. **31,31,36,695** as compared to previous year. Similarly the export figure was Rs. **9,45,00,075** in previous year is become nearest to double and reaches to Rs. **16,72,58,254**

During the year under review the over all profit is good. The Company is in hope to attain new heights during the financial year 2013-2014.

DIVIDEND:

This year, the Board of Directors had recommended highest Dividend of **Rs. 8.00** (Tax Free) per Equity share for the year ended on 31st March, 2013. [Previous Year **Rs. 5.00** (Tax Free) per Equity Share] and the said Dividend shall be paid to those members whose names appear on the register of member of the company on record date i.e. 9/08/2013.

OPERATION:

The Management of Company is in view of to make drastic change in the management of the Company by introducing experienced and qualified directors on the Board thus your Directors are hopeful for the better performance for the current financial year 2013-14 and the company has taken all remedial measures for cost cutting and taken steps to increase better sales realization and the company has taken all steps to improve its sales which will be in the benefit of the company. The export sales is increasing from year to year, and hope for the better exports during the F.Y. 2013-14.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 217 (2AA) of the Companies Act, 1956, the Directors would like to state that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the Annual Accounts on a going concern basis.

DIRECTORS:

Mr. N. C. Vadgama Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

Mr. Rajan R. Bambhanja Managing Director of the Company, whose term of office was ended on 31st May, 2013. Subsequently the Company has executed fresh agreement for his reappointment as a Managing Director of the Company for a period of Three Years commencing from 1st June, 2013 subject to the consent of the Members at the ensuing Annual General Meeting of the Company.

Shri D. H. Dand being director and shareholder of the Company has recommended for the candidatures for appointment of Mr. Hiren N. Vadgama, Mr. Jignesh S. Thanki, Mr. Pinak S. Thanki and, Dr. P. M. Nadpara as a director of the Company at this ensuing Annual General Meeting by giving notice to the Company pursuant to Section 257 of the Companies Act, 1956. (the material facts about the directors are set-out in the explanatory statement annexed with the Notice)

AUDITORS:

SUBHASH AKBARI & CO, Chartered Accountants, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. We recommend their re-appointment. They have furnished a Certificate to the effect that their appointment, if made, will be in accordance with the limits specified in Section 224 (1B) of the Companies Act, 1956.

COMPLIANCE CERTIFICATE:

Compliance certificate u/s 383A of the Companies Act, 1956 has been obtained from M/s. M. Buha & Co., Practicing Company Secretary and the same has been annexed herewith.

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

The disclosure of particulars with respect to conservation of energy, a statement giving details of Technology Absorption, Foreign Exchange Earnings and outgo in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

PARTICULARS OF THE EMPLOYEES:

The Company did not paid such remuneration to any employee of the company which is exceeding the limit prescribed under section 217 (2A) of the Companies Act, 1956 hence a statement giving information and particulars of the employees as required u/s 217 (2A) is not required to mention.

INDUSTRIAL RELATIONS:

The Industrial Relations between the Management and Employees of the Company at all Levels continued to be extremely cordial during the entire year.

PUBLIC DEPOSITS

During the year, your Company has not accepted any deposit from the public falling under Section 58A & 58AA of the Companies Act, 1956.

CERTIFICATES

The Company possessed the following certificates and an audit for the ISO 14001 & OHSAS 18001 is successfully conducted and now the company is eligible to get both the Certificates.

- (1) ISO 9001:2008
- (2) PED 97/23/EC & AD2000 MERKBLATT W0 Certified
- (3) IBR Awarded 'Well Known Foundry'

INSURANCE

All moveable and fixed Assets are adequately insured.

COST COMPLIANCE REPORT

Company has already appointed the Cost Auditors' firm namely M/s. Mitesh Suvagiya & Co. for issuance of Cost Compliance Report. The Firm has issued the Report for the F.Y. 2011-12 on 25/12/2012 and due date for the same was 28/02/2013. So far as the immediate Financial Year is concern, the company has yet to be receive the same however presently last date for issuance is 27/09/2013 subject to further notification issued by Government in this regards.

HUMAN RESOURCES

The high level of motivation of the employees and their identification with the Company is the basis for the creation of a strong team, who continuously advance the innovative brands and superior technologies with their inventive talent and pioneering spirit. The training courses are evolved to internalize the principles of sustainable development and to uphold the Company's corporate culture based on fairness and team spirit.

APPRECIATION:

Your Directors are grateful for the support and co-operation given by the Shareholders, Government Authorities, Company's Bankers, Insurance Company, Employees, Customers & Suppliers during the year under review.

FOR AND ON BEHALF OF BOARD

PLACE : JUNAGADH
DATE : 27/05/2013

(Dhirubhai H. Dand)
CHAIRMAN

ANNEXURES TO THE DIRECTORS' REPORT**Annexure - (I) to the Directors' Report**

Disclosure required under the Companies (Disclosure of particulars in the report of Directors) Rules, 1988.

1. CONSERVATION OF ENERGY

Your company has accorded high priority to the conservation of energy and have taken steps by introducing new technology of insulation to conserve heat loss in various furnaces used for shell baking and heat- treatment. As regards saving of electricity loss, company has installed capacitors so as to maintain overall power-factor nearing unit.

2. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

Your company operates on in house - technology developed for the products.

3. RESEARCH & DEVELOPMENT

Your company has adopted various steps with regards to develop new composition of metals, improve upon grain structure and control of the inclusion rating by introducing use of latest melting and metal purifying practices

4. FOREIGN EXCHANGE EARNINGS & OUTGO

Foreign Exchange Earnings on account of Export is equivalent to Rs. 16,72,58,254/- (Previous Year 9,45,00,075). The total Foreign exchange used by way of Traveling Expenses Rs. 5,56,021/- (Previous Year Rs.-NIL-)

FOR AND ON BEHALF OF THE BOARD

PLACE : JUNAGADH
DATE : 27/05/2013

(Dhirubhai H. Dand)
CHAIRMAN