

**Certified True Copy**  
**For Elpro International Limited**

*Dr. e. l.*

**Director/**

# **ELPRO INTERNATIONAL LTD.**

**50TH ANNUAL REPORT 2012-2013**

**BOARD OF DIRECTORS**

Mr. R. S. Dabriwala – Chairman

Mr. Narayan T. Atal

Mr. Anil Kumar Poddar

Mr. Ashok Kumar Jain

Mr. Surbhit Dabriwala

**KEY MANAGEMENT EXECUTIVES**

Mr. R. Mukherjee, Chief Executive Officer

Mr. Sambhaw Jain, CFO & Compliance Officer

**AUDITOR**

M/s. Tadarwal & Tadarwal  
Chartered Accountants

**COMPANY SECRETARY**

Mr. Suresh Savalia

**BANKERS**

Bank of India

State Bank of India

**SHARE TRANSFER AGENT**

Sharex Dynamic (India) Pvt. Ltd.  
Unit No. 1, Luthra Ind. Premises,  
Safed Pool, Andheri Kurla Road,  
Andheri (E), Mumbai - 400 072

**REGISTERED OFFICE**

"Nirmal", 17<sup>th</sup> Floor, Nariman Point,  
Mumbai 400 021

**WORKS**

Elpro Compound, Chinchwadgaon, Pune

**NOTICE OF THE 50th ANNUAL GENERAL MEETING**

Notice is hereby given that 50<sup>th</sup> Annual General Meeting of the Company will be held on Monday, 30<sup>th</sup> Day of September, 2013 at 9.30 a.m at Prince Hall, National Sports Club of India, Lala Lajpat Rai Marg, Worli, Mumbai - 400 018 to transact the following businesses:

**Ordinary Business:**

1. To consider and adopt the Audited Balance Sheet of the company as at 31<sup>st</sup> March, 2013 and Profit and Loss account for the year ended on that date and the Report of the Auditors' and Directors' thereon
2. To appoint a Director in place of Mr. Surbhit Dabriwala, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Anil Kumar Poddar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Narayan T Atal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Ashok Kumar Jain, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint M/s. Tadarwal & Tadarwal, Chartered Accountants, as the auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

**Special Business**

7. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") read with Schedule XIII of the Act, the consent of the Company, be and is hereby accorded for the appointment of Mr. Ramswarup Dabriwala as the Managing Director of the Company and for payment of remuneration and perquisites to him, for a period of 3 years with effect from 1st July, 2013, on terms and conditions including remuneration and perquisites as set out in the explanatory statement attached to this notice and is hereby specifically sanctioned, with liberty to the Board of Directors to alter and vary the terms and conditions of the appointment so as not to exceed the ceiling limits as regards salary and perquisites specified in Schedule XIII of the Companies Act, 1956, including any statutory modification or re-enactment thereof, for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government or as may be agreed to between the Board of Directors and Mr. Ramswarup Dabriwala."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this Resolution."

**By Order of the Board of Directors**

Place: Mumbai

Dated: 30 May 2013

**R. S. Dabriwala**  
Chairman

**Notes:**

- a. A member entitled to attend and vote instead of himself and proxy need not be a member. In order to become valid, the proxy forms should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
- b. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business is annexed hereto.
- c. The Register of Members and Share Transfer Books will remain closed from Tuesday, 24<sup>th</sup> September, 2013 to Monday, 30<sup>th</sup> September, 2013 (both days inclusive).
- d. Pursuant to provisions of Section 205A of the Companies Act, 1956, as amended, the unpaid dividends for the Financial Year 2001-2002 and thereafter which remain unpaid / unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund constituted in terms of Section 205C of the Companies Act, 1956. No claim in respect to the dividend shall lie against the company or IEPF after transfer of the dividend amount to IEPF. Accordingly, the dividend for the year 2005-06 declared on 15.09.2006 is due for transfer to IEPF.

- e. Members holding shares in physical form are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agents M/s. Sharex Dynamic (India) Private Limited, Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072. Members holding shares in electronic form may intimate any such changes to their respective Depository Participants (DPs).

#### ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956, ANNEXED TO AND FORMING PART OF THE NOTICE OF THE GENERAL MEETING OF THE MEMBERS:

##### Item No. 7

Subject to the approval of the shareholders, the Directors of the Company at their meeting held on 30<sup>th</sup> May 2013 have resolved to appoint Mr. Ramswarup Dabriwala as the Managing Director of the Company for a period of 3 years. The details of the remuneration payable to Mr. Ramswarup Dabriwala are as under:

##### Salary: -

- (a) Salary of ₹ 50,000/- per month with an annual increment as may be decided by the Board or any committee thereof.
- (b) Ex-gratia at the rate of 8.33% of salary per annum.

##### Perquisites: -

- (c) Housing: Furnished residential accommodation or house rent allowance in lieu thereof.
- (d) Medical Reimbursement: Medical expenses including any such expenses as shall relate to surgical, optical and dental treatment incurred for himself and his family (Family includes dependant parents, wife, children who are dependent on him).
- (e) Leave Travel Concession: The Managing Director and his family shall be entitled to Leave Travel Concession as per the rules of the Company.

The Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of ceiling on remuneration specified above.

- (1) Company's contribution towards Superannuation/Provident Fund: Such contribution shall not be included in the computation of the ceiling on remuneration to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.
- (2) Gratuity: Payable as per the Rules of the Group Gratuity Scheme of the Company.
- (3) Encashment of Leave at the end of the tenure.
- (4) Company maintained car.
- (5) Actual traveling reimbursement.

The perquisites, wherever applicable, shall be valued as per the Income Tax Rules, 1962.

Subject to the exigencies of his employment, Mr. Ramswarup Dabriwala shall be entitled to privilege leave as per the Company's policy on full pay and allowances.

In the event of inadequacy of profits, the remuneration as stated above shall be the minimum remuneration.

Total remuneration including perquisites shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956.

The Board recommends this Resolution for approval of the members.

Mr. Ramswarup Dabriwala is deemed to be interested in this resolution as it concerns him. No other Director is concerned or interested in the passing of this resolution.

The Explanatory Statement together with the accompanying Notice may also be regarded as an abstract of the terms and memorandum of interest pursuant to Section 302 of the Companies Act, 1956.

By Order of the Board of Directors

Place: Mumbai

Dated: 30 May 2013

R. S. Dabriwala  
Chairman

**PARTICULARS OF DIRECTORS IN TERMS OF LISTING AGREEMENT:****Mr. Narayan T. Atal**

Mr. Narayan T. Atal is a Chartered Accountant. He has over 29 years experience in Chartered Accountants practice. He is holding directorship in following companies.

Name of the Company	Particulars of position held
Gama Leāfin Pvt. Ltd.	Director
Elpro Estates Limited	Director
Elpro International Limited	Director
Ajcon Global Services Ltd.	Director
Shree Madhu Industrial Estate Ltd.	Director
Ajcon Commodity Brokers Limited	Director
Shree Rama Newsprint Limited	Director

**Mr. Anil Poddar**

Mr. Anil Poddar has experience of more than 23 years in different manufacturing field like Textile, Electrical equipments, real estate etc. He is holding directorship in following companies.

Name of the Company	Particulars of position held
Elpro Estates Limited	Director
Elpro International Limited	Director

**Mr. Surbhit Dabriwala**

Mr. Surbhit Dabriwala is a Bachelor of Arts and Science (1998) from University of Pennsylvania. He is presently holding directorship in following Companies:-

Name of the Company	Particulars of position held
Elpro International Limited	Director
First Apartments Private Limited	Director
Dabri Properties & Trading Co. Ltd.	Director
PNB MetLife India Insurance Company limited	Director
Faridabad Capital Holding Pvt. Ltd.	Director
Zenox Trading and Manufacturing Private Limited	Director

**Mr. Ashok Jain**

Mr. Ashok Jain is a Chartered Accountant, and having experience in different field like manufacturing, Insurance etc. He is holding the position of director in following Companies:-

Name of the Company	Particulars of position held
Elpro International Limited	Director
First Policy Insurance Brokers Pvt. Ltd.	Director

**Mr. Ramswarup Dabriwala**

Mr. Ramswarup Dabriwala is a graduate & having very good experience in real estate development and manufacturing.

Name of the Company	Particulars of position held
Elpro Estates Limited	Director
Elpro International Limited	Director

## DIRECTORS' REPORT

Dear Shareholders,

The Directors present the 50<sup>th</sup> Annual Report together with the audited balance-sheet and the profit and loss account for the year ended March 31, 2013.

### 1. Financial Results

Particulars	(₹ in Lacs)	
	Year ended 31.03.2013	Year ended 31.03.2012
Gross sales & services	3451	3189
Other Income	51	76
Profit / (Loss) Before Tax and Exceptional Items	369	(318)
Provision for Taxation	—	—
MAT Credit	—	—
Provision for Deferred Tax	—	—
Exceptional Items	299	(115)
<b>Profit(Loss) After Tax</b>	<b>668</b>	<b>(203)</b>
Profit brought forward from previous year	48	251
Profit available for appropriation	—	—
Dividend-Proposed	—	—
Dividend tax on proposed dividend	—	—
Transfer to General reserve	—	—
Balance carried to Balance Sheet	716	48

### 2. Operations:

The Company revenue during the year stood at ₹ 3451 Lacs, there is increase in revenue by 8% on account of better performance in company's real estate sales and services in the excess space which company possess in Chinchwadgaon, Pune which compensated for the tepid outlook for the electrical equipment manufacturing business which is your company's core activity. During the year company has been able to achieve positive bottom line as compared to loss in the previous year on account of decrease in interest cost. The company's focus is to reduce further the interest cost in near future

### 3. Dividend:

Due to insufficient general reserve during the year under review, your directors do not recommended any dividend.

### 4. Subsidiary & Consolidated Financial Statement:

The accounts; report of the directors and auditors and other statement(s) as set out in section 212 of the Companies Act, 1956, in respect of the company's subsidiary namely Elpro Estates Limited (Formerly known as Trump Properties Limited) are not attached pursuant to the general exemption granted by the Central Government pursuant to general circular No. 2/2011 dated February, 2011. The particulars of performance of the subsidiary for and its financial positions as on March 31, 2013 is given in consolidated Balance Sheet as required in terms of the said general exemption. The members are informed that annual accounts of the said subsidiary and the related detailed information will be made available on request. The accounts of the said subsidiary are also open for inspection by the members at the registered office of the company.

### 5. Directors:

In accordance with Articles of Association of the Company, Mr. Surbhit Dabriwala, Mr. Narayan T Atal, Mr. Anil Kumar Poddar & Mr. Ashok Jain retire by rotation as Directors at the ensuing Annual General Meeting and are eligible for re-appointment.

**6. Auditors:**

The auditors M/s. Tadarwal & Tadarwal, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Audit Committee of the Board recommends the re-appointment of M/s. Tadarwal & Tadarwal, as auditors for a further period of one year.

**7. Personnel:**

None of the employees of the Company employed throughout the year were in receipt of remuneration of ₹24,00,000/- or more per annum or employed for part of the year were in receipt of RS.2,00,000/- or more per month.

**8. Conservation of Energy, Technology Absorption:****a) Conservation of Energy**

During the year under review, the energy consumption was 467325 (including 5816 own generation through DG) KWH in units as against 545569 (including 10423 own generation through DG) KWH in the previous year. Steps taken for energy conservation, inter alia, include the following:

Maintaining the power factor to unity in spite of variable load.

**b) Technology Absorption:**

Not Applicable.

**9. Foreign Exchange Earnings and Outgo:**

Earning and outgo in foreign exchange during the year under review were ₹ 161.06 Lacs and ₹ 13.06 Lacs as against ₹ 149.565 Lacs and ₹ 33.19 Lacs respectively in the previous year.

**10. SHARE CAPITAL**

The Board, post shareholders' and other regulatory approval, has allotted 40,00,000 (forty lakhs in number) 12% cumulative redeemable preference shares of face value of ₹ 10 each at a premium of ₹ 190/- per share, redeemable within 15 years. The said preference shares allotted to promoter group entities by way of preferential allotment.

**11. Directors Responsibility Statement:**

As required under Section 217(2AA) of the Companies Act, 1956, it is hereby stated that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material transactions;
- we have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a 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;
- we 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; and
- We have prepared the annual accounts on a going concern basis.

**12. Code of Corporate Governance:**

In terms of clause 49 of the Listing agreement with Stock Exchanges, a separate report on Corporate Governance along with the auditors' statement thereon is attached hereto.

**13. Management Discussion and Analysis:**

The Annual Report also contains a separate section on the Management Discussion and Analysis, which is a part of the Director's Report.

**14. Industrial relations:**

Employee relations were by and large satisfactory. No man days were lost due to strike, lock out etc.

**15. Acknowledgements:**

Your Directors wish to place on record their sincere appreciation for the assistance and support extended by Customers, Employees, Banks, Governments, Vendors, Shareholders and others associated with the activities of the Company and look forward to their continued support.

For and On behalf of the Board of Directors

Place: Mumbai  
Dated: 30 May 2013

R. S. Dabhiwala  
Chairman

**MANAGEMENT DISCUSSION AND DEVELOPMENT:****1. Industry Structure and Development:**

The Company is largely dependent on the performance of core electrical business, reflecting the trend of overall economy, the year was not favourable for the manufacturing in general. The slow down of Indian GDP growth coupled with low export orders has impacted the performance of manufacturing division. However company has been able to achieve moderate increase in revenue on account of real estate sales and services which the company is developing on its excess land situated at Chinchwadgaon, Pune. Company is continuing its efforts to improve the revenue and profitability in near future by adopting various measures like up gradation of technology, exploring new markets for its products in overseas and reduction the cost of production.

**2. Opportunity & Threats:**

The company is exposed to a number of risks such as economic, regulatory, taxation and environmental risks. Some of these may arise in its normal course of business and impact its ability for future developments, further various factors not limiting to the global recessionary trend, economic slowdown, increase in interest cost, non-availability or undue increase in cost of raw materials coupled with market fluctuations may impact the operation. Elpro is adequately equipped to face and mitigate any such adverse situations and the Company has not made any extra leverage and rather focussing on reducing the high cost debts.

**3. Segment wise performance:**

The Company is continuing its efforts to explore new market in export for its core manufacturing activities. Revenue from real estate sales and services on the excess land possessed by the company in Pune is also improved this year and will continue to increase in the coming years.

**4. Risks & Concerns and Outlook:**

Company is known to deliver products that meet to the highest benchmarks of quality. The company is committed to maintain the same quality benchmark in future as well.

**5. Internal control system & its adequacy:**

Company has adequate internal control system for safeguarding assets of the Company and preventing them from unauthorized use or disposition. However the management is being regularly guided by the Audit Committee, which reviews the systems. The Company has been taking steps for further strengthening of controls.

**6. Human resource and Industrial relations:**

Employees relations throughout the year was satisfactory.

**CAUTIONARY STATEMENT:**

Statements in this "Management discussion and analysis report" describing the Company's projections, estimates, expectations or predictions may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.



**REPORT ON CORPORATE GOVERNANCE****1) Company's Philosophy:**

Company has been following philosophy of good governance policies with transparency to meet its obligation to all stakeholders in balanced and accountable manner.

**2) Board of Directors:****a) Composition of Board:**

There are presently five Directors on the Board of the Company of which one is Promoter Directors and four are Non-Executive Independent Directors.

**b) Attendance of each Director at Board Meetings and at last Annual General Meeting:**

Name of Director	Category	Status	No. of Board Meetings attended	Attendance at the last AGM
Mr. R. K. Dabriwala*	Promoter	NED	3	Present
Mr. Narayan T. Atal	Independent	NED	2	Present
Mr. S. Dabriwala	Promoter	NED	1	Present
Mr. Anil Poddar	Director	NED	6	Present
Mr. Ashok Jain	Independent	NED	1	Present
Mr. Ramswaroop Dabriwala	Independent	NED	5	Present

NED - Non Executive Director

\*Resigned during the year with effect from 27-12-2012

**c) Number of other Companies and Committees, the Director of the Company is a Director/Member/Chairman:**

Name of Director	Number of other Directorship @	Other Board Committees	
		Member	Chairman
Mr. Narayan T. Atal	6	None	None
Mr. S. Dabriwala	5	None	None
Mr. Anil Poddar	1	None	None
Mr. Ashok Jain	1	None	None
Mr. Ram Swaroop Dabriwala	1	None	None

@ includes private limited companies

**d) Details of Board Meeting held during 1 April, 2012 to 31 March, 2013**

Sr. No.	Date
1	30 <sup>th</sup> May 2012
2	14 <sup>th</sup> August, 2012
3	9 <sup>th</sup> November, 2012
4	27 <sup>th</sup> December, 2012
5	14 <sup>th</sup> February, 2013
6	28 <sup>th</sup> March, 2013

**e) Number of shares held by Non-Executive Directors as at 31 March 2013: Nil****3) Audit Committee:****a) Composition, No. of Meetings and Attendance:**

The Audit Committee of the Company comprised of Four directors out of which all are Independent, Non-Executive Directors. The Audit Committee meetings were held in 30.05.2012, 14-08-2012, 09-11-2012 and 14-02-2013. The details of attendance are stated below:

Name of the Director	No. of Meetings
Mr. Narayan T. Atal	1
Mr. Anil Poddar	4
Mr. Ashok Jain	1
Mr. R.S Dabriwala	4

The senior officials of the Company and representative of Auditors were invitees to the meetings of the Audit Committee.

b) Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Agreement.

c) Secretary:

The Company has appointed Mr. Suresh Savaliya as company secretary during the year.

d) Subsidiary Company:

The minutes of the Board Meeting and Financial Statement of Elpro Estates Limited was periodically placed before the Board.

4) **Remuneration Committee:**

a) Composition:

The Remuneration Committee comprised of three Independent, Non-Executive Directors.

b) No. of Meetings and Attendance:

There was no meeting of the Remuneration Committee held during the year.

c) Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Agreement.

d) Remuneration of Directors:

The Company do not have managing and or whole time director and hence no remuneration has been paid to any director.

**Notes:**

- Company does not have a stock option scheme.
- There is no notice period and no severance fees are payable by the Company.
- Remuneration to Non-Executive Directors consists of sitting fees:  
Payments for the period 01.04.2012 to 31.03.2013 (Amount in Rupees)

Name of Director	Sitting Fees
Mr. R. K. Dabriwala	₹ 12,750
Mr. R.K. Choudhury	₹ 8,500
Mr. Sharat Anand	—
Mr. Narayan T. Atal	₹ 10,500
Mr. Anil Poddar	₹ 29,500
Mr. Surbhit Dabriwala	₹ 4,250
Mr. Ashok Jain	₹ 5,250
Mr. R.S.Dabriwala	₹ 24,250

5) **Shareholders/Investors' Grievances Committee:**

a) Composition:

Shareholders/Investors Grievance Committee comprises of Mr. Anil Poddar, Mr. Surbhit Dabriwala, Mr Narayan T. Atal and Mr. R.S.Dabriwala as members of the Committee. The Committee meets to approve transfer, transmission, consolidation, sub-division, issue of duplicate Share Certificates, request for dematerialization of the Company's shares, redressing of investors' complaints, etc.