

## ACROW INDIA LIMITED 54<sup>th</sup> Annual Report 2013-2014

|                                     |   |
|-------------------------------------|---|
| BOARD OF DIRECTORS                  | MR. HARSHAVARDHAN DOSHI<br>MR. NARAYAN VARMA<br>MR. VIKRAM BHAT<br>MR. NIHAL DOSHI<br>MR. ASHOK ASHTEKAR  |
| AUDITORS                            | M/s V. SANKAR AIYAR & CO.<br>Chartered Accountants  |
| BANKERS                             | BANK OF BARODA  |
| REGISTERED OFFICE                   | Plot No 2 & 3, Ravalgaon – 423108,<br>Taluka Malegaon, District Nasik,<br>Maharashtra, India.<br>T: +91 2554 645913/ 645914/ 270379<br>F: +91 2554 270386 / 270382    |
| CORPORATE OFFICE                    | 52, 5 <sup>th</sup> Floor, Maker Tower 'F',<br>Cuffe Parade, Mumbai – 400 005<br>Maharashtra, India<br>T: +91 22 22184291<br>F: +91 22 22184294                       |
| REGISTRAR & SHARE<br>TRANSFER AGENT | M/s Freedom Registry Ltd.<br>Plot No. 101 / 102, 19 <sup>th</sup> Street,<br>MIDC Industrial Area, Satpur, Nasik – 422007<br>T: +91 253 2354032<br>F: +91 253 2351126 |

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ANNUAL GENERAL MEETING at 10.30 a.m on Tuesday, 15<sup>th</sup> July 2014 at Krida Mandal Hall, Ravalgaon – 423108, Taluka Malegaon, District Nasik, Maharashtra.

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.

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# Acrow India Ltd.

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## NOTICE

NOTICE is hereby given that the 54<sup>th</sup> Annual General Meeting of the Company will be held as scheduled below:

DATE : Tuesday, 15<sup>th</sup> July 2014  
TIME : 10.30 a.m.  
PLACE : Krida Mandal Hall, Ravalgaon, Taluka Malegaon,  
Dist. Nashik, Maharashtra, Pin Code 423108.

to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and the Statement of Profit and Loss Account for the year ended 31st March 2014 along with the reports of the Auditors and the Board of Directors.
2. To appoint a Director in place of Mr. Harshavardhan B Doshi who retires by rotation and, being eligible, offers himself for reappointment.
3. To re-appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of sections 139, 142 and other applicable provisions, if any of the Companies Act, 2013 M/s V. Sankar Aiyar and Co. Chartered Accountants, (Regn. No. 109208W), be and are hereby reappointed as the Statutory Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the sixth Annual General Meeting subject to ratification by the shareholders annually, on such remuneration as shall be fixed by the Board of Directors of the company".

### SPECIAL BUSINESS:

4. To consider the reappointment of Mr. Narayan Varma, independent director for a period of five years and in this connection to pass, with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT declaration of independence having been obtained from Mr Narayan Varma in terms of Section 149(7) of the Companies Act, 2013 and the reappointment of Mr Narayan Varma having been recommended by the Board of Directors in their meeting held on 8th May 2014, reappointment of Mr Narayan Varma be made as an independent Director in accordance with provisions of section 149 and such other applicable provisions of the Companies Act, 2013 read with Companies Appointment and Qualifications (Rules) 2014 on the Board of the Company for a period of five consecutive years from the date of this Annual General Meeting.

RESOLVED FURTHER THAT authority be and is hereby given to Mr Harshavardhan Doshi, Chairman & Managing Director and/ or Mr Nihal Doshi, Executive Director to issue letter of reappointment to Mr Narayan Varma on behalf of the Company."

5. To consider the reappointment of Mr. Vikram Bhat, independent director for a period of five years and in this connection to pass, with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT declaration of independence having been obtained from Mr Vikram Bhat in terms of Section 149(7) of the Companies Act, 2013 and the reappointment of Mr Vikram Bhat having been recommended by the Board of Directors in their meeting held on 8th May 2014, reappointment of Mr Vikram Bhat be made as an independent Director in accordance with provisions of section 149 and such other applicable provisions of the Companies Act, 2013 read with Companies Appointment and Qualifications (Rules) 2014 on the Board of the Company for a period of five consecutive years from the date of this Annual General Meeting.

RESOLVED FURTHER THAT authority be and is hereby given to Mr Harshavardhan Doshi, Chairman & Managing Director and/ or Mr Nihal Doshi, Executive Director to issue letter of reappointment to Mr Vikram Bhat on behalf of the Company."

6. To consider the reappointment of Mr. Ashok Ashtekar, independent director for a period of five years and in this connection to pass, with or without modification(s) the following resolution as an Ordinary Resolution.

“RESOLVED THAT declaration of independence having been obtained from Mr Ashok Ashtekar in terms of Section 149(7) of the Companies Act, 2013 and the reappointment of Mr Ashok Ashtekar having been recommended by the Board of Directors in their meeting held on 8th May 2014, reappointment of Mr Ashok Ashtekar be made as an independent Director in accordance with provisions of section 149 and such other applicable provisions of the Companies Act, 2013 read with Companies Appointment and Qualifications (Rules) 2014 on the Board of the Company for a period of five consecutive years from the date of this Annual General Meeting.

RESOLVED FURTHER THAT authority be and is hereby given to Mr Harshavardhan Doshi, Chairman & Managing Director and/ or Mr Nihal Doshi, Executive Director to issue letter of reappointment to Mr Ashok Ashtekar on behalf of the Company.”

On behalf of the Board of Directors

**H. B.Doshi**  
Chairman

**Registered Office:**  
Ravalgaon, Taluka Malegaon,  
Dist. Nasik, Maharashtra,  
Pin Code 423108  
Date: 8<sup>th</sup> May 2014

## NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (2) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 7<sup>th</sup> July 2014 to Tuesday, 15<sup>th</sup> July 2014 (both days inclusive).
- (3) Members holding shares in physical form are requested to notify immediately details of any change / correction in their address, bank particulars etc. to the Company's Registrars and Share Transfer Agents. Members holding shares in demat account (electronic form) may notify any change to the Depository Participant.
- (4) i. The dividend for the financial year ended 31<sup>st</sup> March 1998, 31<sup>st</sup> March 1999, 31<sup>st</sup> March 2000, 31<sup>st</sup> March 2001, 31<sup>st</sup> March 2002, 31<sup>st</sup> March 2003, 31<sup>st</sup> March 2004 and 31<sup>st</sup> March 2006 (Dividend was not declared for the year ended 31<sup>st</sup> March 2005) which remained unclaimed for 7 years from the date of declaration have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.  
ii. Shareholders are requested to note that no claim shall lie against the Company or the said Investor Education and Protection Fund after the transfer of unclaimed dividend to the fund.
- (5) The shares of the company are under compulsory demat list of SEBI and therefore trading in equity shares can be done only in demat form. In case you have not demated your shares, you may do so by opening an account with any Depository Participant and completing the dematerialization procedure.
- (6) At the ensuing Annual General Meeting, Director Mr. Harshavardhan B. Doshi retires by rotation and, being eligible offer himself for re-appointment. The information and details pertaining to the director to be provided vide Clause 49 of the Listing Agreement with Stock Exchange are given below:

|   |   |
|---|---|
| Name of Director  | <b>Mr. Harshavardhan B. Doshi</b>                     |
| Date of Birth   | 29/07/1955  |
| Experience in specific areas and position held                | Associated with Sugar Industry for over three decades |
| Qualification   | B. Sc. from University of Mumbai                      |
| Directorship in other companies (Excluding Foreign Companies) | Three   |
| Shareholding  | 1.44%   |

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(7) Details of Director seeking re-appointment at the forthcoming Annual General Meeting as per the provisions of the Companies Act, 2013

| Name of Director  | <b>Mr. Narayan Varma</b>                           | <b>Mr. Vikram Bhat</b>                             | <b>Mr. Ashok Ashtekar</b>   |
|---|--|--|---|
| Date of Birth   | 20/08/1931   | 05/05/1934   | 05/05/1945  |
| Experience in specific areas and position held                | Associated with Sugar Industry for last many years | Associated with Sugar Industry for last many years | Associated with Sugar Industry for last 45 years  |
| Qualification   | Chartered Accountant                               | B. Sc, M.A (Hons)<br>Cambridge University,<br>U.K. | Diploma in Mechanical and Electrical Engineering, Fellow Institute of Mechanical Engineers (FIME) |
| Directorship in other companies (Excluding Foreign Companies) | One  | Three  | One   |
| Shareholding  | Nil  | Nil  | Nil   |

(8) E-voting :

EVSN : 140613005

The company is pleased to provide e-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative in respect of Agenda Items 1 to 6, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the Notice dt. 8th May 2014 of 54th Annual General Meeting of the Company. The instructions for members voting electronically are given on page nos. 30 & 31.

On behalf of the Board of Directors

**H. B.Doshi**  
Chairman

**Registered Office:**  
Ravalgaon, Taluka Malegaon,  
Dist. Nasik, Maharashtra,  
Pin Code 423108  
Date: 8<sup>th</sup> May 2014

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying notice:

### **Item No 4:**

Reappointment of Mr. Narayan Varma, Independent Director

Mr Narayan Varma was appointed as an Independent Director in terms of clause 49 of the listing agreement. With the coming into force of the Companies Act, 2013 effective from April 01, 2014, your company is now required to have at least one third of its total number of directors as Independent Directors. In view of his vast experience and expertise in the field of accounts, your Board recommends appointment of Mr Narayan Varma for a period of five years as an Independent Director in terms of section 149 of the Companies Act, 2013. As an Independent Director appointed under section 149 of the Companies Act, 2013, Mr. Narayan Varma shall not be liable to retire by rotation. Necessary declaration in terms of section 149(7) of the Companies Act, 2013 has been received by the company from Mr. Narayan Varma.

In the opinion of the Board, Mr Narayan Varma fulfils the conditions specified in the Companies Act, 2013 for such appointment and hence the Board recommends his reappointment.

None of the Directors except Mr Narayan Varma is concerned or interested in the above resolution.

### **Item No 5:**

Reappointment of Mr. Vikram Bhat, Independent Director

Mr Vikram Bhat was appointed as an Independent Director in terms of clause 49 of the listing agreement. With the coming into force of the Companies Act, 2013 effective from April 01, 2014, your company is now required to have at least one third of its total number of directors as Independent Directors. In view of his vast experience and expertise in the industry, your Board recommends appointment of Mr Vikram Bhat for a period of five years as an Independent Director in terms of section 149 of the Companies Act, 2013. As an Independent Director appointed under section 149 of the Companies Act, 2013, Mr. Vikram Bhat shall not be liable to retire by rotation.

Necessary declaration in terms of section 149(7) of the Companies Act, 2013 has been received by the company from Mr. Vikram Bhat.

In the opinion of the Board, Mr Vikram Bhat fulfils the conditions specified in the Companies Act, 2013 for such appointment and hence the Board recommends his reappointment.

None of the Directors except Mr Vikram Bhat is concerned or interested in the above resolution.

### **Item No 6:**

Reappointment of Mr Ashok Ashtekar, Independent Director

Mr Ashok Ashtekar was appointed as an Independent Director in terms of clause 49 of the listing agreement. With the coming into force of the Companies Act, 2013 effective from April 01, 2014, your company is now required to have at least one third of its total number of directors as Independent Directors. In view of his vast experience and technical expertise, your Board recommends appointment of Mr Ashok Ashtekar for a period of five years as an Independent Director in terms of section 149 of the Companies Act, 2013. As an Independent Director appointed under section 149 of the Companies Act, 2013, Mr Ashok Ashtekar shall not be liable to retire by rotation.

Necessary declaration in terms of section 149(7) of the Companies Act, 2013 has been received by the company from Mr Ashok Ashtekar.

In the opinion of the Board, Mr Ashok Ashtekar fulfils the conditions specified in the Companies Act, 2013 for such appointment and hence the Board recommends his re appointment.

None of the Directors except Mr Ashok Ashtekar is concerned or interested in the above resolution.

On behalf of the Board of Directors

**H. B.Doshi**  
Chairman

**Registered Office:**  
Ravalgaon, Taluka Malegaon,  
Dist. Nasik, Maharashtra,  
Pin Code 423108  
Date: 8<sup>th</sup> May 2014

# Acrow India Ltd.

## DIRECTORS' REPORT

To,  
The Members  
Acrow India Ltd.

Your Directors have pleasure in presenting their 54<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2014.

(Rs. in lacs)

| <b>FINANCIAL RESULTS:</b>                           | <b>Current Year</b> | <b>Previous Year</b> |
|---|---------------------|----------------------|
| <b>Sales and Other Income</b>                       | <b>50.95</b>        | <b>205.22</b>        |
| <b>Operating Profit</b>                             | <b>(36.83)</b>      | <b>16.56</b>         |
| Less: Interest & Finance Charges                    | 1.87                | 1.16                 |
| Depreciation  | 31.37               | 33.10                |
| <b>Profit Before Exceptional Items</b>              | <b>(70.07)</b>      | <b>(17.70)</b>       |
| Extra Ordinary Items - Sundry Balances written back | -                   | 23.08                |
| <b>Profit Before Tax After Exceptional Items</b>    | <b>(70.07)</b>      | <b>5.38</b>          |
| Less: Provision for Tax :                           |                     |                      |
| Current Tax   | -                   | 1.75                 |
| Deferred Tax Credit / (Debit)                       | (5.32)              | (2.68)               |
| Tax for Earlier Years                               | -                   | 2.13                 |
| <b>Profit After Tax</b>                             | <b>(64.75)</b>      | <b>4.18</b>          |
| Add: Balance brought forward from previous year     | 181.62              | 177.44               |
| <b>Balance available for appropriation</b>          | <b>116.87</b>       | <b>181.62</b>        |
| <b>APPROPRIATIONS :</b>                             |                     |                      |
| Proposed Dividend                                   | -                   | -                    |
| Corporate Dividend Tax                              | -                   | -                    |
| Transfer to General Reserve                         | -                   | -                    |
| <b>Balance Carried to Balance Sheet</b>             | <b>116.87</b>       | <b>181.62</b>        |

## DIVIDEND

Your Directors do not recommend any dividend on the equity shares for the year ended 31st March 2014.

## PERFORMANCE

The Company's turnover for the year under review stood at Rs. 3.43 lacs (inclusive of excise duty and service tax) as compared to Rs. 164.11 lacs during the previous year.

The Operating Loss for the year is Rs. 36.83 lacs as against Operating Profit of Rs. 16.56 lacs in the previous year and Loss Before Tax is Rs. 70.07 lacs as against Loss of Rs. 17.70 lacs in the previous year.

## CURRENT YEAR

The Sales and other income for the current year are Rs. 50.95 lacs as compared to Rs. 205.22 lacs of the previous year. During the year, company had low operations as it is in the process of re-evaluating its existing business model considering the nature of industry.

## INCOME TAX

The Income Tax Assessments of the Company have been completed upto the Accounting Year 2007-2008.

## FIXED DEPOSITS

The Company did not accept/renew any deposits from the public during the year under review.

## STATUTORY DISCLOSURES

A Statement giving the details regarding the Conservation of Energy and Technology Absorption, Foreign Exchange Earnings and Outgo as required by the Companies (disclosure of particulars in the report of the Board of Directors) Rules, 1988, is annexed hereto as Annexure 'A' and forms part of this report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that

- a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed with explanatory notes relating to material departures.
- b) Appropriate accounting policies have been selected and applied consistently, judgements and estimates that are made 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 and Loss Account of the company for that period.
- c) Proper and sufficient care has been taken for 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.
- d) The annual accounts having been prepared on a going concern basis.

## **SECRETARIAL COMPLIANCE CERTIFICATE**

A Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 is attached herewith as Annexure 'B'.

## **CORPORATE GOVERNANCE**

The Securities and Exchange Board of India (SEBI) has formulated a Code of Corporate Governance with regard to the Board of Directors, appointment of Committees, Remuneration of Directors, Board Procedures, Management, Shareholders, etc. and a Clause 49 has been incorporated in the Listing Agreement for ensuring compliances hereunder. The activities of the Company are managed by professionally competent and independent Board of Directors and although, the Company does follow some of the stipulations made under the said code, the said Clause 49 is not applicable to the Company.

## **PERSONNEL**

The relations with the employees continue to remain cordial. The Directors express their appreciation for the support given, and the contribution made by the employees at all levels.

Particulars of employees under Section 217 (2A) of the Companies Act, 1956, read with the (Particulars of employees) Rules, 1975, as amended, are not given since there is no employee drawing remuneration stipulated under the said rules.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 2013 and Article 152 of the Company's Articles of Association, Mr. Harshavardhan B. Doshi would retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. Further as per provision of the Companies Act, 2013, an independent director shall hold office for a term of five consecutive years and the tenure of an independent director on the date of commencement of Act shall not be taken into consideration, accordingly Mr. Narayan Varma, Mr. Vikram Bhatt and Mr. Ashok Ashtekar being independent directors would be appointed for the period of five years at the forthcoming Annual General Meeting.

## **AUDITORS**

M/s. V. Sankar Aiyar & Co., Chartered Accountants, Mumbai, the existing Auditors retire at the ensuing Annual General Meeting of your Company. They have however, intimated to the company that they do wish to seek re-appointment as per the provisions of The Companies Act 2013. M/s V. Sankar Aiyar & Co., Chartered Accountants, Mumbai have indicated their availability and willingness to be appointed as Statutory Auditors of your Company. A resolution seeking your approval for the appointment of the said Auditors has been included in the notice convening the Annual General Meeting.

## **ACKNOWLEDGEMENT**

The Board places on record its appreciation for the continued support extended to the Company by the Shareholders, Bankers, Suppliers and Customers.

On behalf of the Board of Directors

**H. B.Doshi**  
Chairman

**Registered Office:**  
Ravalgaon, Taluka Malegaon,  
Dist. Nasik, Maharashtra,  
Pin Code 423108  
Date: 8<sup>th</sup> May 2014

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## ANNEXURE 'A' DIRECTORS' REPORT

Particulars as per Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

### A. CONSERVATION OF ENERGY:

- I. In order to conserve energy, preventive maintenance of the Plant & Machinery is carried out on a regular basis. The production is taken in batches to obtain optimum output. For the manufacture of Company's products mainly electrical power is used. Diesel oil is also used to an extent for operating mobile crane and other material handling equipments.
- II. No additional investment for reduction of energy consumption is envisaged during the year.
- III. The average cost of energy consumed in relation to the total cost of production is negligible. Consequently a significant impact is not expected on the cost of production on account of reduction in the consumption of energy.

### B. TECHNOLOGY ABSORPTION :

#### a. Research & Development (R & D)

- i. **Specified areas in which R & D carried out by the Company:** Efforts are continued on regular basis for further improvement in quality of the products. Improving and maintaining the quality of certain key raw materials mainly steel, paints, etc. are also given proper attention.
- ii. **Benefits derived as a result of the above R & D –** Maintenance of quality standards.
- iii. **Future Plan of Action :** Steps are continuously taken for the development of new products, up-gradation of technology and improvement of product quality with an aim of offering better products to the customers.
- iv. **Expenses on R & D:** The expenses incurred by the Company on R & D are primarily for testing of the product quality and specifications. Amount spent on such activity will therefore not to be treated as expenses on Research and Development.

#### b. Technical Absorption, Adaptation and Innovation:

- i. **Effort, in brief, made for Technical Absorption, Adaptation and Innovation on the basis of the Company's own R & D activities :**  
Absorption and adaptation of the new technology is a continuous process to meet the specific needs of the local market.
- ii. **Benefit derived as a result of the above efforts:**  
Improvement of product quality, cost effectiveness and energy conservation are the major benefits.
- iii. **Imported Technology:**
  - (a) Technology imported : For Automatic Weighing and Bagging Machines.
  - (b) Year of Import : 1995 -96
  - (c) Has technology been fully absorbed? Yes

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- I. **Activities relating to exports; Initiatives taken to increase export; development of new Export Market for product and services; and export plans.**  
The company is continuously making efforts to find export market for its products, particularly in the neighboring countries, Middle East and African countries.
- II. **Total Foreign Exchange Earnings and Outgo:**  
During the year, there were no export sales.



## ANNEXURE 'B' TO DIRECTORS' REPORT

To,  
The Members,

Acrow India Limited  
P.O Ravalgaon - 423108  
Taluka – Malegaon, Dist Nasik,  
Maharashtra

CIN L13100MH1960PLC011601  
Nominal Capital Rs 1.00 CRORE

We have examined the registers, records, books and papers of M/s ACROW INDIA LIMITED (the company) as required to be maintained under the Companies Act, 1956 (the Act) and rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers, agents, we certify that in respect of the financial year ended on 31st March 2014:

1. The company has kept and maintained all the registers as stated in the Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all the entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board, or other authorities within the time prescribed under the Act and the rules made there under.
3. The company is a public limited company and has paid up capital of Rs 64,00,000/ (Rupees Sixty Four Lacs only) as on 31st March 2014.
4. The Board of Directors duly met 4 times on 29<sup>th</sup> May 2013, 7<sup>th</sup> August 2013, 13<sup>th</sup> November 2013 and 11<sup>th</sup> February 2014 and in respect of such meetings proper notices were given and proceedings were properly recorded and signed.
5. The company closed its Register of Members from Thursday, 19<sup>th</sup> September 2013 to Friday, 27<sup>th</sup> September 2013 (both days inclusive).
6. The Annual General Meeting for the financial year ended 31st March 2013 was held on Friday, 27<sup>th</sup> September 2013 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31<sup>st</sup> March 2014.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act during the year. However there is an outstanding balances of loans already granted to one company, which aggregates to Rs. 4.95 crores and the maximum amount outstanding during the year amounts to Rs 4.85 crores.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Govt.
12. The company has issued duplicate share certificates during the financial year after complying with the provisions laid down in the Act.
13. During the financial year ended 31st March 2014:
  - (i) The Company has delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. The company has not made any allotment of securities during the financial year.
  - (ii) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. No additional director was appointed during the year. There was no appointment of Alternate Directors and Directors to fill casual vacancies during the financial year ended March 31, 2014.
15. The appointment of Managing Director/Whole time Director/Manager has been made in compliance with the provisions of the Act.
16. The company has not made any appointment of sole selling agents during the year.
17. The company was not required to obtain any approvals of the Central Govt. Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares/debentures/other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares/debentures during the financial year.
22. There was no transaction necessitating the company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of shares.

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23. The company has not invited/accepted any deposits during the year under review and hence the question of complying with the provisions of Section 58A and 58AA read with the Companies (Acceptance of Deposits) Rules 1975/the applicable directions issued by the Reserve Bank of India/any other authority in respect of deposits accepted including unsecured loans taken does not arise.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2014 is within the borrowing limits of the company.
25. The company has given loans and made investments in other bodies corporate in compliance with the provisions of section 372A and has made necessary entries in the register kept for that purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered any of the provisions of its Articles of Association during the year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other penalties or punishments were imposed on the company during the financial year for any of the offences under the Act.
32. The company has not received any money as security from its employees during the year under certification.
33. The company has deposited both employees' and employer's contribution to Provident Fund with the prescribed authority pursuant to section 418 of the Companies Act, 1956

Place: Mumbai  
Date: May 8, 2014

Signature  
BIPIN RAJE  
C.P No: 6147

## ANNEXURE A

- (1) Register of Members u/s 150 of the Act
- (2) Register of Directors shareholding u/s 307 of the Companies Act, 1956
- (3) Register of Directors, Managing Director, Manager and Secretary u/s 303 of the Companies Act, 1956
- (4) Books of accounts as required under the Companies Act
- (5) Register of Particulars of Contracts in which Directors are interested u/s 301
- (6) Register of Directors Attendance
- (7) Minutes of the General Meetings and Board Meetings u/s 193 of the Act
- (8) Register of charges u/s 143 of the Act

## ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, Mumbai during the financial year ending on 31st March 2014

| Sr No | Form No/<br>Return | Filed<br>Under<br>Section | Purpose  | Date of<br>Filing | Whether<br>filed in<br>time | If delay in Filing,<br>whether with Requisite<br>late filing fees |
|-------|--------------------|---------------------------|--|-------------------|-----------------------------|---|
| 1     | FORM 32            |                           | Particulars of resignation of Director - Mr. Manohar Bhide   | 06/06/2013        | Yes                         | N.A.  |
| 2     | FORM 66            | 383 A                     | Submission of Compliance Certificate with Registrar  | 23/10/2013        | Yes                         | N.A.  |
| 3     | FORM 20B           | 159                       | Filing of Annual Return with the Registrar   | 28/10/2013        | Yes                         | N.A.  |
| 4     | FORM 23C           |                           | Application to Central Government for appointment of Cost Auditors - March 2013                        | 31/10/2013        | No                          | Yes   |
| 5     | FORM 23C           |                           | Application to Central Government for appointment of Cost Auditors - March 2014                        | 31/10/2013        | Yes                         | N.A.  |
| 6     | FORM 23AC & ACA    | 210                       | XBRL Document in respect of Profit & Loss Account and Balance Sheet for the Year ended 31st March 2013 | 02/01/2014        | No                          | Yes   |
| 7     | FORM 5INV          | Rule 3 of IEPF            | Statement of Unpaid and Unclaimed Amount as on AGM Date  | 19/12/2013        | Yes                         | N.A.  |
| 8     | FORM 1INV          | 205 C                     | Transfer of Unpaid dividends to IEPF for the year 2006   | 25/11/2013        | Yes                         | N.A.  |

**INDEPENDENT AUDITOR'S REPORT****To the Members of Acrow India Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of Acrow India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements and give true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards of Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

As audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**Emphasis of Matter**

We draw your attention to Note No. 33 regarding going concern. Our opinion is not qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - (b) In our opinion, proper Books of Account as required by Law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us.
  - (c) The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.
  - (d) In our opinion, the Balance Sheet, Statement Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
  - (e) On the basis of written representation received from the Directors of the Company as at March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014 from being appointed as Director in terms of clause {g} of sub section {1} of section 274 of the Companies Act, 1956.

For **V. Sankar Aiyar & Co.**

**Chartered Accountants**  
**Firm Regn No: 109208W**

**Arvind Mohan**  
**Partner**  
**M. No. 124082**

Place: Mumbai  
Dated: Date: 8<sup>th</sup> May 2014

# Acrow India Ltd.

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## Annexure to Auditors ' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Acrow India Limited for the year ended 31st March, 2014)

1. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, the fixed assets have been physically verified by the management at year end, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of inventory :
  - a. The stock of finished goods and raw material has been physically verified during the year by the Management. The Company has a perpetual inventory system in respect of stores and spare parts. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and nature of its business.
  - c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
3. In respect of Loans :
  - a. The company has not taken any loans secured or unsecured from any party covered in the register maintained under section 301 of the Act.
  - b. The company has granted unsecured interest-bearing loan to one company covered in the register maintained under section 301 of Companies Act, 1956 by renewal of existing loan amounting to Rs. 215 lacs during the year. This along with existing loan has a maximum outstanding balance of Rs. 495 lacs and year end balance of Rs. 485 Lacs.
  - c. According to information and explanations given to us, rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the company.
  - d. According to information and explanations given to us, principal is repayable on demand. During the year, the said loan has been renewed. Interest has been received as per terms of the loan.
  - e. There are no overdues as on March 31, 2014.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that purchase of certain items of inventory and fixed assets are for the Company's specialized requirements, and similarly, certain goods sold are for the specialized requirements of the buyers and suitable alternate source are not available to obtain comparable quotations, there is generally adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion, and according to the information and explanations given to us, we have not observed any major weakness during the course of audit.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
  - a. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of aforesaid contracts or arrangements in excess of Rs.5 lacs, have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public. Accordingly, clause 4(vi) of the Order is not applicable to the company.
7. In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the Cost records under Section 209(1)(d) of the Act and we are opinion that prima-facie, the prescribed accounts and records have been made and maintained.

9. In respect of the statutory dues:

- a. According to the records of the Company, undisputed statutory dues including, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise duty, cess and other material statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable except in case of Profession Tax Rs. 7,525/- on wage arrears. These have been paid as on the date of our report.
- b. According to the information and explanations given to us, the following disputed statutory dues on account of Wealth Tax, Employee State Insurance Fund and Income Tax have not been deposited with the appropriate authorities:

| Nature of dues                | Amount in lacs | Period to which the amount relates | Forum where dispute is pending                |
|-------------------------------|----------------|------------------------------------|---|
| Wealth tax                    | 15.43          | 1999 - 2000                        | Commissioner of Wealth tax (Appeals), Mumbai. |
| Employee State Insurance Fund | 5.08           | 1986 - 1988                        | Divisional Industrial Court, Mumbai           |

10. The accumulated losses at end of the financial year are not less than fifty percent of its net worth. The company has incurred cash loss of Rs. 38.70 Lacs during the year and has not incurred cash loss during the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institutions.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a Nidhi / mutual benefit fund / society. Accordingly, clause 4(xiii) of the Order does not apply.
14. The Company has not traded in securities, debentures and other investments. Accordingly, clause 4(xiv) of the Order does not apply.
15. In our opinion and according to information and explanations provided to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not raised any loans from banks and financial institutions during the year. Accordingly, clause 4(xvi) of the Order does not apply.
17. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company, no funds raised on short-term basis have prima facie, been used during the year for making long-term investments.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order does not apply.
20. The Company has not raised any money by way of public issue during the year. Accordingly, clause 4(xx) of the Order does not apply.
21. According to the information and explanations given to us, and based on audit procedures performed and representations obtained from the management, we report that no material fraud on or by the Company, has been noticed or reported during the year under audit.

For **V. Sankar Aiyar & Co.**

**Chartered Accountants**  
**Firm Regn No: 109208W**

**Arvind Mohan**  
**Partner**  
**M. No. 124082**

Place: Mumbai  
Dated: Date: 8<sup>th</sup> May 2014

# Acrow India Ltd.

## Balance Sheet as at 31-March-2014

|   | Note No. | As at<br>31-March-2014 | (Rs. in Lacs)<br>As at<br>31-March-2013 |
|---|----------|------------------------|---|
| <b>EQUITY AND LIABILITIES</b>                                   |          |                        |   |
| <b>Shareholders' funds</b>                                      |          |                        |   |
| (a) Share capital   | 2        | 64.00                  | 64.00                                   |
| (b) Reserves and surplus  | 3        | 786.81                 | 851.56                                  |
|   |          | 850.81                 | 915.56                                  |
| <b>Non-current liabilities</b>                                  |          |                        |   |
| (a) Long-term borrowings  | 4        | 113.30                 | 135.84                                  |
| (b) Deferred tax liabilities (net)                              | 5        | 109.77                 | 115.09                                  |
| (c) Long-term liabilities                                       | 6        | 0.10                   | 0.10                                    |
| (d) Long-term provisions  | 7        | 0.51                   | 0.63                                    |
|   |          | 223.68                 | 251.66                                  |
| <b>Current liabilities</b>                                      |          |                        |   |
| (a) Short-term borrowings                                       | 8        | 17.35                  | 14.82                                   |
| (b) Trade payables  | 9        | 17.27                  | 21.58                                   |
| (c) Other current liabilities                                   | 10       | 54.33                  | 53.94                                   |
| (d) Short-term provisions                                       | 11       | 1.70                   | 1.98                                    |
|   |          | 90.65                  | 92.32                                   |
|   |          | <b>1,165.14</b>        | <b>1,259.54</b>                         |
| <b>ASSETS</b>   |          |                        |   |
| <b>Non-current assets</b>                                       |          |                        |   |
| (a) Fixed assets : Tangible                                     | 12       | 447.98                 | 470.09                                  |
| (b) Non-current investments                                     | 13       | 30.96                  | 35.39                                   |
| (c) Long-term loans and advances                                | 14       | 17.96                  | 17.40                                   |
|   |          | 496.90                 | 522.88                                  |
| <b>Current assets</b>   |          |                        |   |
| (a) Current investments   | 15       | -                      | 274.58                                  |
| (b) Inventories   | 16       | 131.77                 | 134.98                                  |
| (c) Trade receivables   | 17       | 10.12                  | 10.80                                   |
| (d) Cash and bank balances                                      | 18       | 4.80                   | 4.55                                    |
| (e) Short-term loans and advances                               | 19       | 510.83                 | 305.19                                  |
| (f) Other current assets  | 20       | 10.72                  | 6.56                                    |
|   |          | 668.24                 | 736.66                                  |
|   |          | <b>1,165.14</b>        | <b>1,259.54</b>                         |
| Significant accounting policies.                                | 1        |                        |   |
| See accompanying notes forming part of the financial statements |          | 1-33                   |   |

As per our report of even date.

**For V. Sankar Aiyar & Co**  
Chartered Accountants  
Firm Registration No. 109208W

**Arvind Mohan**  
Partner  
Membership No.124082  
Mumbai  
Date: 8<sup>th</sup> May 2014

**For and on behalf of the Board of Directors**

**H. B. Doshi**  
Chairman

**N. H. Doshi**  
Director

**V. M. Bhat**  
Director

**N. K. Varma**  
Director

Mumbai  
Date: 8<sup>th</sup> May 2014

## Statement of Profit and Loss for the year ended 31-March-2014

(Rs. In Lacs)

| Particulars  | Note No. | Year ended<br>31-March-2014 | Year ended<br>31-March-2013 |
|--|----------|-----------------------------|-----------------------------|
| <b>Income :</b>  |          |                             |                             |
| Revenue from operations (gross)                                    | 21       | 3.43                        | 164.11                      |
| Less: Excise duty  |          | 0.30                        | 13.24                       |
| Revenue from operations (net)                                      |          | 3.13                        | 150.87                      |
| Other income   | 22       | 47.82                       | 54.35                       |
| <b>Total Revenue</b>   |          | <b>50.95</b>                | <b>205.22</b>               |
| <b>Expenditure :</b>   |          |                             |                             |
| Cost of materials consumed   | 23       | 0.02                        | 43.42                       |
| Changes in inventories of finished goods and work-in-progress      | 24       | 3.19                        | (7.59)                      |
| Employees benefits expenses  | 25       | 5.62                        | 13.58                       |
| Finance costs  | 26       | 1.87                        | 1.16                        |
| Depreciation and amortisation expenses                             |          | 31.37                       | 33.10                       |
| Other expenses   | 27       | 78.95                       | 139.25                      |
| <b>Total Expenses</b>  |          | <b>121.02</b>               | <b>222.92</b>               |
| <b>Profit/(Loss) before exceptional items</b>                      |          | <b>(70.07)</b>              | <b>(17.70)</b>              |
| <b>Exceptional Items :</b>   |          |                             |                             |
| Sundry Balances written back                                       |          | -                           | 23.08                       |
| <b>Profit / (Loss) before Tax and after exceptional items</b>      |          | <b>(70.07)</b>              | <b>5.38</b>                 |
| <b>Tax expense:</b>  |          |                             |                             |
| Current tax:   |          |                             |                             |
| Income Tax   |          | -                           | 1.75                        |
| Taxes for Earlier Years  |          | -                           | 2.13                        |
| Deferred tax   |          | (5.32)                      | (2.68)                      |
| <b>Profit / (Loss) after tax for the year</b>                      |          | <b>(64.75)</b>              | <b>4.18</b>                 |
| <b>Earnings per share :</b>  |          |                             |                             |
| Basic and Diluted earning per share before exceptional items (Rs.) |          | (10.12)                     | (2.95)                      |
| Basic and Diluted earning per share after exceptional items (Rs.)  |          | (10.12)                     | 0.65                        |
| Face Value per share fully paid up (Rs.)                           |          | 10.00                       | 10.00                       |
| Significant accounting policies.                                   | 1        |                             |                             |
| See accompanying notes forming part of the financial statements    | 1-33     |                             |                             |

As per our report of even date.

**For V. Sankar Aiyar & Co**  
Chartered Accountants  
Firm Registration No. 109208W

**Arvind Mohan**  
Partner  
Membership No.124082  
Mumbai  
Date: 8<sup>th</sup> May 2014

For and on behalf of the Board of Directors

**H. B. Doshi**      **N. H. Doshi**  
Chairman          Director

**V. M. Bhat**      **N. K. Varma**  
Director          Director

Mumbai  
Date: 8<sup>th</sup> May 2014

# Acrow India Ltd.

## Cash Flow Statement for the year ended 31-March-2014

(Rs. In Lacs)

|   | Year ended<br>31-March-2014 | Year ended<br>31-March-2013 |
|---|-----------------------------|-----------------------------|
| <b>A. Cash flow from operating activities</b>                         |                             |                             |
| Net Profit / (Loss) before tax  | (70.07)                     | 5.38                        |
| <i>Adjustments for:</i>   |                             |                             |
| Depreciation and amortisation   | 31.37                       | 33.10                       |
| Diminution in Investments   | 4.50                        | 2.19                        |
| Interest Paid   | 1.87                        | 1.16                        |
| (Profit) / loss on sale / write off of investments                    | 1.72                        | -                           |
| Interest income   | (34.28)                     | (33.28)                     |
| Dividend income   | (13.29)                     | (20.20)                     |
|   | <u>(8.11)</u>               | <u>(17.03)</u>              |
| <b>Operating profit / (loss) before working capital changes</b>       | <b>(78.18)</b>              | <b>(11.65)</b>              |
| <i>Adjustments for:</i>   |                             |                             |
| Inventories   | 3.21                        | 10.37                       |
| Trade and other receivables   | 12.93                       | 6.79                        |
| Trade and deposits payables   | (4.14)                      | (89.91)                     |
| Net income tax (paid) / refunds                                       | (3.44)                      | 1.29                        |
| <b>Net cash flow from / (used in) operating activities (A)</b>        | <b>(69.62)</b>              | <b>(83.11)</b>              |
| <b>B. Cash flow from investing activities</b>                         |                             |                             |
| Capital expenditure on fixed assets,<br>including capital advances    | (9.27)                      | (18.13)                     |
| Inter-corporate deposits given  | (215.00)                    | (90.00)                     |
| Interest received   | 30.12                       | 35.91                       |
| Dividend received   | 13.29                       | 20.20                       |
| Investment made / (sold)  | 272.79                      | (201.77)                    |
| <b>Net cash flow from / (used in) investing activities (B)</b>        | <b>91.93</b>                | <b>(253.79)</b>             |
| <b>C. Cash flow from financing activities</b>                         |                             |                             |
| Net increase / (decrease) in Long Term Borrowings                     | (22.54)                     | (3.86)                      |
| Net increase / (decrease) in Short Term Borrowings                    | 2.53                        | 14.82                       |
| Finance cost  | (1.87)                      | (1.16)                      |
| Dividends paid  | (0.18)                      | (0.05)                      |
| <b>Net cash flow from / (used in) financing activities (C)</b>        | <b>(22.06)</b>              | <b>9.75</b>                 |
| <b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b> | <b>0.25</b>                 | <b>(327.15)</b>             |
| <b>Cash &amp; Cash Equivalent</b>                                     |                             |                             |
| Opening   | 4.55                        | 331.70                      |
| Closing Balance   | 4.80                        | 4.55                        |

### Note :

- Above Cash Flow statement has been prepared under "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement"
- Cash and Cash Equivalents represent Cash & bank balances and Fixed Deposits with banks.
- Cash and Cash Equivalents include Rs. 3.54 Lacs (Previous Period Rs. 3.72 Lacs) on account of unclaimed dividend, which are not available for use by the company.
- Previous period figures have been regrouped / recast wherever necessary.

As per our report of even date.

**For V. Sankar Aiyar & Co**  
Chartered Accountants  
Firm Registration No. 109208W

**Arvind Mohan**  
Partner  
Membership No.124082  
Mumbai  
Date: 8<sup>th</sup> May 2014

**For and on behalf of the Board of Directors**

**H. B. Doshi**      **N. H. Doshi**  
Chairman            Director

**V. M. Bhat**        **N. K. Varma**  
Director             Director

Mumbai  
Date: 8<sup>th</sup> May 2014



**NOTES FORMING PART OF FINANCIAL STATEMENTS****1. Significant Accounting Policies:****a) Basis of Accounting:**

The financial statements are prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply with in all material respects with the accounting standards notified under the Companies ( Accounting Standard ) Rules 2006 issued under subsection 3C of Section 211 of the Companies Act ,1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**b) Use of Estimates:**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

**c) Fixed Assets:**

Fixed Assets are stated at cost less accumulated depreciation. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date of commissioning.

**d) Depreciation:**

- i. Assets acquired after 30<sup>th</sup> June, 1978 are depreciated on the straight-line basis at the rates prescribed under Schedule XIV of the Companies Act, 1956. Certain items of Plant and Machinery pertaining to Industrial Machinery Division have been depreciated on a Straight-line basis @ 6.33% and 9.50%, as the case may be, based on the estimated useful life of the respective assets, as determined by the approved valuer.
- ii. Assets acquired up to 30<sup>th</sup> June 1978 have been depreciated on the written down value basis at the rates prescribed under Schedule XIV of the Companies Act, 1956.
- iii. Assets costing Rs.5,000/- or less are fully depreciated in line with Schedule XIV of the Companies Act, 1956.
- iv. Software is amortised over 5 years from the date of implementation.

**e) Investments:**

Long Term Investments are valued at costs. Provision for diminution in value of investments is made if, in the opinion of the management, the diminution is of a permanent nature. Current Investments are valued at lower of cost or fair value.

**f) Inventories:**

Raw materials, Finished Goods and Work-in-progress are valued at lower of cost or net realizable value. Cost is determined on a weighted average basis. Work-in-Progress is carried at lower of cost and net realizable value. Stores & Spare parts are carried at cost, less provision for obsolescence, if any.

**g) Revenue Recognition:**

- i. Sales are recognized at the time of transfer of title in goods. Sales value is inclusive of excise duty but exclusive of sales tax.
- ii. Services are net of service tax. Revenue from services is recognized when services are rendered and related costs are incurred.
- iii. Interest is recognized on time proportion basis.
- iv. Dividend is recognized, at the time when they are declared.

**h) Foreign Currency Transaction:**

- i. Foreign currency transactions are accounted at the rates prevailing on the date of transaction.
- ii. Monetary Assets and Liabilities denominated in foreign currencies are translated at the exchange rate prevailing on the Balance Sheet date. Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the Profit and Loss Account.

**i) Employee Benefits:**

- i. **Defined Contribution plan:** Retirement benefits in the Provident Fund, Family Pension Fund and Superannuation Scheme, which are defined contribution schemes, are charged to the Profit and Loss account of the year when the contributions accrue.
- ii. **Defined Benefit Plan:** The Liability for Gratuity, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation as at the balance Sheet date.
- iii. **Other Long Term Benefits:** Long term compensated absences are provided on the basis of an actuarial valuation as at the Balance Sheet date. Actuarial gains and losses comprising of adjustment and the effects of changes in actuarial assumptions are recognized in the Profit and Loss account for the year as income or expense.

# Acrow India Ltd.

## Notes forming part of Balance Sheet

### j) Taxation:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent there is reasonable certainty / virtual certainty as the case may be, that the asset will be realized against future taxable profits.

### k) Impairment of Assets:

At each Balance sheet date, the management reviews the carrying amount of its assets and goodwill included in each Cash generating Unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount of an asset is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value and the risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

### l) Operating Lease Granted:

Lease arrangements where the risk and rewards incident to the ownership of an asset substantially vest with the lessor, are recognized as operating lease. Lease rentals under operating lease are recognized in profit and loss account on a straight-line basis.

### m) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

## 2. Share capital

|  | (Rs. In Lacs)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31-March-2014 | As at<br>31-March-2013 |
| (a) Authorised<br>10,00,000 Equity shares of Rs. 10 each                         | 100.00                 | 100.00                 |
|  | <u>100.00</u>          | <u>100.00</u>          |
| (b) Issued, Subscribed and fully paid up<br>6,40,000 Equity shares of Rs.10 each | 64.00                  | 64.00                  |
|  | <u>64.00</u>           | <u>64.00</u>           |

### Details of Shareholders holding more than 5% shares:

| Name of shareholder(s) | As at 31-March-2014      |           | As at 31-March-2013      |           |
|------------------------|--------------------------|-----------|--------------------------|-----------|
|                        | Number of<br>shares held | % holding | Number of<br>shares held | % holding |
| Carina Finvest Limited | 316,000                  | 49.38 %   | 316,000                  | 49.38 %   |

There is no change in the shares outstanding at the beginning and at the end of the reporting date & immediately preceding reporting date

### Terms Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholder.

## Notes forming part of the financial statements

|  | As at<br>31-March-2014 | (Rs. In Lacs)<br>As at<br>31-March-2013 |
|--|------------------------|---|
| <b>3 Reserves and surplus</b>  |                        |   |
| (a) Capital reserve  | 12.79                  | 12.79                                   |
| (b) General reserve  | 657.15                 | 657.15                                  |
| (c) Surplus / (Deficit) in Statement of Profit & Loss :  |                        |   |
| Opening balance  | 181.62                 | 177.44                                  |
| Add: Profit / (Loss) for the year  | (64.75)                | 4.18                                    |
| Closing balance  | <u>116.87</u>          | <u>181.62</u>                           |
|  | <b><u>786.81</u></b>   | <b><u>851.56</u></b>                    |
| <b>4 Long-term borrowings</b>  |                        |   |
| <b>Unsecured</b>   |                        |   |
| Deferred Sales Tax liability (refer Note 4.1)  | 113.30                 | 135.84                                  |
|  | <u>113.30</u>          | <u>135.84</u>                           |
| 4.1 Repayable in annual installments from financial year 2012-13 to financial year 2020-21.  |                        |   |
| The total amount outstanding from Sicom is Rs. 135.84 lacs, out of which Rs. 22.54 is repayable from April-2014 to March-2015. Balance amount is re-payable within 5 years from the date of completion of the assessment of the relevant year. |                        |   |
| <b>5 Deferred Tax Liabilities (Net)</b>  |                        |   |
| <b>Deferred Tax Liabilities</b>  |                        |   |
| Depreciation   | 110.03                 | 115.48                                  |
| <b>Deferred Tax Assets</b>   |                        |   |
| Others   | 0.26                   | 0.39                                    |
|  | <u>109.77</u>          | <u>115.09</u>                           |
| <b>6 Other long-term liabilities</b>   |                        |   |
| Trade / security deposits received   | 0.10                   | 0.10                                    |
|  | <u>0.10</u>            | <u>0.10</u>                             |
| <b>7 Long-term provisions</b>  |                        |   |
| Provision for employee benefits:   |                        |   |
| Leave Encashment (Refer note 25)   | 0.14                   | 0.36                                    |
| Gratuty Liability (Refer note 25)  | 0.37                   | 0.27                                    |
|  | <u>0.51</u>            | <u>0.63</u>                             |

# Acrow India Ltd.

## Notes forming part of the financial statements

|  | As at<br>31-March-2014 | (Rs. In Lacs)<br>As at<br>31-March-2013 |
|--|------------------------|---|
| <b>8 Short-term borrowings</b>   |                        |   |
| Secured  |                        |   |
| Working Capital Loan from Bank (Refer Note 8.1)  | 17.35                  | 14.82                                   |
|  | <u>17.35</u>           | <u>14.82</u>                            |
| 8.1 Working Capital borrowings from the banks are secured by way of hypothecation of company's current assets both present and future, and by way of equitable mortgage of company's immovable properties. |                        |   |
| <b>9 Trade payables</b>  |                        |   |
| Payable to Micro, Small and Medium Enterprises   | -                      | -                                       |
| Payables to Others   | 17.27                  | 21.58                                   |
|  | <u>17.27</u>           | <u>21.58</u>                            |

The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

### The principal amount and the interest due thereon remaining unpaid to Suppliers

|  |   |   |
|--|---|---|
| Principal  | - | - |
| Interest due thereon   | - | - |
| The delayed payments of principal paid beyond the appointed date during the entire accounting period     | - | - |
| Interest actually paid under section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| Normal interest accrued during the period, for all the delayed payments, as per the agreed terms         | - | - |
| Normal interest payable for the period of delay in making payment, as per the agreed terms               | - | - |
| Total interest accrued during the period   | - | - |
| Total interest accrued during the period and remaining unpaid  | - | - |

### 10 Other current liabilities

|   |              |              |
|---|--------------|--------------|
| (a) Current maturities of long-term debt          |              |              |
| Deferred Sales Tax liability (refer Note No. 4.1) | 22.54        | 18.35        |
| (b) Unpaid dividends (refer Notes 10.1)           | 3.54         | 3.72         |
| (c) Statutory dues                                | 3.49         | 4.63         |
| (d) Advances from customers                       | 18.46        | 21.93        |
| (e) Other Expenses                                | 6.30         | 5.31         |
|   | <u>54.33</u> | <u>53.94</u> |

10.1 There is no amount due and outstanding to be credited to the Investor Education and Protection Fund.

### 11 Short-term provisions

|   |             |             |
|---|-------------|-------------|
| (a) Provision for employee benefits:                |             |             |
| (i) Provision for Bonus                             | 0.04        | 0.04        |
| (ii) Provision for Leave Encashment (Refer note 25) | 0.02        | 0.05        |
| (iii) Provision for Gratuity (Refer note 25)        | 0.32        | 0.57        |
|   | <u>0.38</u> | <u>0.66</u> |
| (b) Provision - Others                              |             |             |
| (i) Provision for warranty                          | 1.32        | 1.32        |
|   | <u>1.32</u> | <u>1.32</u> |
|   | <u>1.70</u> | <u>1.98</u> |

## Notes forming part of the financial statements

|  | As at<br>31-March-2014 | (Rs. In Lacs)<br>As at<br>31-March-2013 |
|--|------------------------|---|
| <b>13 Non-current investments</b>  |                        |   |
| Investment in equity instruments (Non trade investments)   |                        |   |
| <b>(i) Quoted</b>  |                        |   |
| 500 (PY: 500) shares of Rs. 2/- each fully paid up in Housing Development Finance Corporation Ltd. | 0.01                   | 0.01                                    |
| 500 (PY: 500) shares of Rs. 2/- each fully paid up in HDFC Bank Ltd.                               | 0.01                   | 0.01                                    |
| 28,480 (PY: 28,480) shares of Rs 10/- each fully paid up in IDBI Bank Ltd.                         | 23.14                  | 23.14                                   |
| 14,400 (PY: 14,400) shares of Rs.10/- each fully paid up in Dena Bank Ltd.                         | 4.32                   | 4.32                                    |
|  | <u>27.48</u>           | <u>27.48</u>                            |
| <b>(ii) Unquoted</b>   |                        |   |
| 1,00,000 (PY: 1,00,000) shares of Rs.10/- each fully paid up in MPR Refractories Ltd.              | 25.00                  | 25.00                                   |
|  | <u>25.00</u>           | <u>25.00</u>                            |
| Less: Provision for diminution in value of investments   | 21.52                  | 17.09                                   |
|  | <u>30.96</u>           | <u>35.39</u>                            |
| Aggregate amount of quoted investments   | 27.48                  | 27.48                                   |
| Aggregate market value of quoted investments   | 35.52                  | 42.98                                   |
| Aggregate amount of unquoted investments   | 25.00                  | 25.00                                   |
| <b>14 Long-term loans and advances</b>   |                        |   |
| Balances with government authorities-Unsecured, considered good                                    |                        |   |
| VAT credit receivable  | 10.16                  | 9.70                                    |
| Balance with Others - Unsecured, considered good   |                        |   |
| Security Deposits  | 7.80                   | 7.70                                    |
|  | <u>17.96</u>           | <u>17.40</u>                            |
| <b>15 Current investments</b>  |                        |   |
| <b>Unquoted</b>  |                        |   |
| <u>Investment in mutual funds</u>  |                        |   |
| Nil (PY : 2,49,987.50) units of Kotak Interval Plan SeriesVII (Div Payout)                         | -                      | 25.00                                   |
| Nil (PY : 9,74,136.67 )units of IDFC Super Saver Income Fund                                       | -                      | 100.00                                  |
| Nil (PY : 4,83,502.882) units of HDFC Short Term Plan  | -                      | 50.00                                   |
| Nil (PY : 17,655.708) units of Franklin Templeton Mutual Fund                                      | -                      | 1.77                                    |
| Nil (PY : 8,57,684.424 ) units of Birla Sunlife Dynamic Bond Fund                                  | -                      | 100.00                                  |
|  | <u>-</u>               | <u>276.77</u>                           |
| Less: Provision for diminution in value of investments   | -                      | 2.19                                    |
|  | <u>-</u>               | <u>274.58</u>                           |
| Aggregate amount of unquoted investments   | -                      | 276.77                                  |
| Aggregate market value of unquoted investments   | -                      | 275.35                                  |

Notes forming part of the financial statements

**12 FIXED ASSETS AS AT 31ST MARCH,2014**

| Sr. No. | PARTICULARS<br>Tangible                    | GROSS BLOCK ( AT COST ) |                | DEPRECIATION    |                     |                     | NET BLOCK       |                     |                     |        |        |
|---------|--|-------------------------|----------------|-----------------|---------------------|---------------------|-----------------|---------------------|---------------------|--------|--------|
|         |  | AS AT<br>01.04.2013     | ADDI-<br>TIONS | DEDUC-<br>TIONS | AS AT<br>31.03.2014 | AS AT<br>01.04.2013 | FOR THE<br>YEAR | AS AT<br>31.03.2014 | AS AT<br>31.03.2013 |        |        |
| 1       | LEASEHOLD LAND                             | 5.31                    | -              | -               | 5.31                | 1.89                | 0.06            | -                   | 1.95                | 3.36   | 3.42   |
| 2       | BUILDINGS                                  | 560.13                  | -              | -               | 560.13              | 187.34              | 14.20           | -                   | 201.54              | 358.59 | 372.79 |
| 3       | PLANT & EQUIPMENT                          | 239.15                  | 9.25           | -               | 248.40              | 191.70              | 9.61            | -                   | 201.31              | 47.09  | 47.45  |
| 4       | ELECTRICAL INSTALLATIONS                   | 22.56                   | -              | -               | 22.56               | 17.95               | 0.68            | -                   | 18.63               | 3.93   | 4.61   |
| 5       | VEHICLES                                   | 54.39                   | -              | -               | 54.39               | 20.53               | 5.03            | -                   | 25.56               | 28.83  | 33.86  |
| 6       | OFFICE EQUIPMENTS & FURNITURE,<br>FIXTURES | 73.87                   | 0.02           | -               | 73.89               | 65.91               | 1.80            | -                   | 67.71               | 6.18   | 7.96   |
|         | TOTAL                                      | 955.41                  | 9.27           | -               | 964.68              | 485.32              | 31.38           | -                   | 516.70              | 447.98 | 470.09 |
|         | PREVIOUS YEAR                              | 937.28                  | 18.13          | -               | 955.41              | 452.22              | 33.10           | -                   | 485.32              | 470.09 |        |

## Notes forming part of the financial statements

|   | (Rs. In Lacs)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31-March-2014 | As at<br>31-March-2013 |
| <b>16 Inventories</b>   |                        |                        |
| (At lower of cost and net realisable value)   |                        |                        |
| Raw materials   | 68.47                  | 68.49                  |
| Work-in-progress  | 29.08                  | 29.05                  |
| Finished goods  | 30.20                  | 33.42                  |
| Stores and spares   | 4.02                   | 4.02                   |
|   | <u>131.77</u>          | <u>134.98</u>          |
| <b>17 Trade receivables</b>   |                        |                        |
| Unsecured, considered good  |                        |                        |
| Outstanding for a period exceeding six months   | 9.96                   | 8.86                   |
| Others  | 0.16                   | 1.94                   |
|   | <u>10.12</u>           | <u>10.80</u>           |
| <b>18 Cash and Bank Balance</b>   |                        |                        |
| <u>Cash &amp; Cash Equivalent</u>   |                        |                        |
| (a) Cash on hand  | 0.23                   | 0.15                   |
| (b) In current accounts   | 0.93                   | 0.58                   |
| <u>Other Bank Balances</u>  |                        |                        |
| (a) In deposit accounts   | 0.10                   | 0.10                   |
| (b) In earmarked accounts   |                        |                        |
| - Unpaid dividend accounts  | 3.54                   | 3.72                   |
|   | <u>4.80</u>            | <u>4.55</u>            |
| <b>19 Short-term loans and advances</b>   |                        |                        |
| Security deposits   |                        |                        |
| Unsecured, considered good (Refer Note 19.1)  | -                      | 15.00                  |
| Loans and advances to employees   |                        |                        |
| Unsecured, considered good  | 0.02                   | 0.17                   |
| Prepaid expenses - Unsecured, considered good   | 0.37                   | 0.42                   |
| Inter-corporate deposits  |                        |                        |
| Unsecured, considered good  | 485.00                 | 270.00                 |
| Balances with government authorities :  |                        |                        |
| Unsecured, considered good  |                        |                        |
| CENVAT credit receivable  | 0.12                   | 0.36                   |
| Service Tax credit receivable   | 3.25                   | 0.61                   |
| Advance Recoverable   | 7.70                   | 7.70                   |
| Advance tax (net of provision tax)  | 14.37                  | 10.93                  |
|   | <u>510.83</u>          | <u>305.19</u>          |
| 19.1 Includes Security deposit of Rs. Nil Lacs (Previous Year Rs. 15.00 Lacs) given to companies in which directors are interested against lease of premises. |                        |                        |
| <b>20 Other current assets</b>  |                        |                        |
| Interest accrued on deposits & loans  | 10.72                  | 6.56                   |
|   | <u>10.72</u>           | <u>6.56</u>            |

# Acrow India Ltd.

## Notes forming part of the financial statements

|  | (Rs. In Lacs)                   |                                 |
|--|---------------------------------|---------------------------------|
|  | Year Ended<br>31-March-2014     | Year Ended<br>31-March-2013     |
| <b>21 Revenue from operations</b>                                      |                                 |                                 |
| (a) Sale of products   | 2.67                            | 161.34                          |
| (b) Sale of services (Erection and Commissioning)                      | 0.67                            | -                               |
| (c) Other operating revenues   |                                 |                                 |
| Packing & Forwarding   | 0.09                            | 2.77                            |
|  | <u>3.43</u>                     | <u>164.11</u>                   |
| <b>Details of Product / Finished Goods Sold :</b>                      |                                 |                                 |
| Graders  | -                               | 16.20                           |
| Weighing Machines  | -                               | 15.73                           |
| Others including spares  | 2.67                            | 129.41                          |
|  | <u>2.67</u>                     | <u>161.34</u>                   |
| <b>22 Other income</b>   |                                 |                                 |
| (a) Interest income (Refer Note 22.1)                                  | 34.28                           | 33.28                           |
| (b) Dividend income from long term investments<br>(Refer Note 22.2)    | 13.29                           | 20.20                           |
| (c) Other Non-operating income (Misc Income)                           | 0.25                            | 0.87                            |
|  | <u>47.82</u>                    | <u>54.35</u>                    |
| 22.1 Interest income comprises:  |                                 |                                 |
| Interest from Banks on Deposits  | -                               | 9.12                            |
| Interest on Loans and Advances   | 34.28                           | 21.84                           |
| Others   | -                               | 2.32                            |
|  | <u>34.28</u>                    | <u>33.28</u>                    |
| 22.2 Dividend income comprises:  |                                 |                                 |
| Dividend Income from Long Term Investments                             | 2.13                            | 0.94                            |
| Dividend Income from Current Investments                               | 11.16                           | 19.26                           |
|  | <u>13.29</u>                    | <u>20.20</u>                    |
| <b>23 Cost of materials consumed</b>                                   |                                 |                                 |
| Opening stock  | 68.49                           | 86.08                           |
| Add : Purchases  | -                               | 25.83                           |
|  | 68.49                           | 111.91                          |
| Less : Closing stock   | 68.47                           | 68.49                           |
|  | <u>0.02</u>                     | <u>43.42</u>                    |
| <b>Breakup of Material Consumed</b>                                    |                                 |                                 |
| Steel  | -                               | 29.01                           |
| Components & Others  | 0.02                            | 14.41                           |
|  | <u>0.02</u>                     | <u>43.42</u>                    |
| <b>Value of Imported &amp; Indigenous Consumption of Raw Materials</b> |                                 |                                 |
|  | <b>Year Ended 31-March-2014</b> | <b>Year Ended 31-March-2013</b> |
|  | Rs. Lacs                        | Rs. Lacs                        |
| Imported   | -                               | -                               |
| Indigenous   | 0.02                            | 43.42                           |
|  | <u>0.02</u>                     | <u>43.42</u>                    |
|  | %                               | %                               |
|  | -                               | 100.00                          |



## Notes forming part of the financial statements

|   | Year Ended<br>31-March-2014 | (Rs. In Lacs)<br>Year Ended<br>31-March-2013 |
|---|-----------------------------|--|
| <b>24 Changes in inventories of finished goods and work-in-progress</b> |                             |  |
| Inventories at the beginning of the year :                              |                             |  |
| Finished goods  | 33.42                       | 41.88  |
| WIP   | 29.05                       | 13.00  |
| <br>  |                             |  |
| Inventories at the end of the year :                                    |                             |  |
| Finished goods  | 30.20                       | 33.42  |
| WIP   | 29.08                       | 29.05  |
| <br>  |                             |  |
| <b>Net (increase) / decrease in stocks</b>                              | <u><u>3.19</u></u>          | <u><u>(7.59)</u></u>                         |
| <br>  |                             |  |
| <b>Break up of closing stock-Finished Goods :</b>                       |                             |  |
| <br>  |                             |  |
| Hoppers   | 20.00                       | 20.00  |
| Others (including spares)   | 10.20                       | 13.42  |
|   | <u>30.20</u>                | <u>33.42</u>                                 |
| <br>  |                             |  |
| <b>Breakup of closing stock- Work in Progress :</b>                     |                             |  |
| <br>  |                             |  |
| Hoppers   | 18.90                       | 18.90  |
| Others (including spares)   | 10.18                       | 10.15  |
|   | <u>29.08</u>                | <u>29.05</u>                                 |
| <br>  |                             |  |
| <b>25 Employees benefit expenses</b>                                    |                             |  |
| <br>  |                             |  |
| Salaries and wages  | 4.70                        | 11.46  |
| Contributions to provident and other funds                              | 0.81                        | 1.14   |
| Staff welfare expenses  | 0.11                        | 0.98   |
|   | <u>5.62</u>                 | <u>13.58</u>                                 |

**EMPLOYEE BENEFITS****i) Short Term Employee Benefits.**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short terms compensated absences, etc., and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

**ii) Long Term Employee Benefits**

The disclosures as per the revised AS-15 are as under:

**A. Brief description of the Plans**

**Gratuity :** The Company has a defined benefit gratuity plan, every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days [last drawn salary] for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

**Leave Wages:** The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attending superannuation age.

**B. Defined Contribution Plan:**

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

|   | Year ended<br>31-March-2014 | (Rs. In Lacs)<br>Year ended<br>31-March-2013 |
|---|-----------------------------|--|
| Employer's Contribution to Provident Fund | 0.81                        | 1.14   |

# Acrow India Ltd.

## Notes forming part of the financial statements

### C. Defined Benefit Plan:

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

| Particulars  | Gratuity (Funded) |                  | Leave Encashment (Unfunded) |                  |
|--|-------------------|------------------|-----------------------------|------------------|
|  | 2013-2014         | 2012-2013        | 2013-2014                   | 2012-2013        |
| (Rs. In Lacs)  |                   |                  |                             |                  |
| <b>a) Reconciliation of Opening and Closing balances of Defined Benefit obligation</b> |                   |                  |                             |                  |
| Defined Benefit obligation at beginning of the year                                    | 1.00              | 1.04             | 0.41                        | 0.34             |
| Interest Cost  | 0.08              | 0.09             | 0.03                        | -                |
| Current Service Cost   | 0.16              | 0.20             | 0.02                        | -                |
| Actuarial gain(-)/loss   | -0.38             | 0.76             | -0.30                       | 0.07             |
| Benefits paid  | -                 | -1.09            | -                           | -                |
| <b>Defined Benefit obligation at year end</b>  | <b>0.86</b>       | <b>1.00</b>      | <b>0.16</b>                 | <b>0.41</b>      |
| <b>b) Reconciliation of Opening and Closing balances of Fair value of plan assets</b>  |                   |                  |                             |                  |
| Defined Benefit obligation at beginning of the year                                    | 0.16              | 1.04             | -                           | -                |
| Expected return on the plan assets   | 0.01              | 0.09             | -                           | -                |
| Contributions Paid   | -                 | 0.15             | -                           | -                |
| Actuarial gain/loss(-)   | -                 | -0.03            | -                           | -                |
| Benefits paid  | -                 | -1.09            | -                           | -                |
| Fair value of plan assets at year end  | 0.17              | 0.16             | -                           | -                |
| <b>c) Reconciliation of fair value of assets and obligation.</b>                       |                   |                  |                             |                  |
| Fair value of plan assets as at 31st March   | 0.17              | 0.16             | -                           | -                |
| Present value of obligation as at 31st March   | -0.86             | -1.00            | -0.16                       | -0.41            |
| <b>Amount recognized in Balance sheet</b>  | <b>-0.69</b>      | <b>-0.84</b>     | <b>-0.16</b>                | <b>-0.41</b>     |
| <b>d) Expenses recognized during the year</b>  |                   |                  |                             |                  |
| Current Service Costs  | 0.16              | 0.20             | 0.02                        | -                |
| Interest Cost  | 0.08              | 0.09             | 0.03                        | -                |
| Expected return on plan assets   | -0.01             | -0.09            | -                           | -                |
| Actuarial gain(-)/loss   | -0.38             | 0.79             | -0.30                       | 0.07             |
| <b>Net Cost</b>  | <b>-0.15</b>      | <b>0.99</b>      | <b>-0.25</b>                | <b>0.07</b>      |
| <b>e) Investment Details</b>   |                   | % invested As at |                             | % invested As at |
| L.I.C Group Gratuity (Cash Accumulation Policy)  | 100%              | 100%             | -                           | -                |
| <b>f) Actuarial assumptions:</b>   |                   |                  |                             |                  |
| Mortality Table (L.I.C.) 1994-96 (Ultimate)  |                   |                  |                             |                  |
| Discount rate (per annum)  | 9.31%             | 8.00%            | 9.31%                       | 8.00%            |
| Expected rate of return on plan assets (per annum)                                     | 8.70%             | 8.70%            | -                           | -                |
| Rate of escalation in salary (per annum)   | 5.00%             | 5.00%            | 5.00%                       | 5.00%            |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other factors including supply and demand in the employment market. The above information is certified by the actuary.

## Notes forming part of the financial statements

|   | (Rs. In Lacs)               |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>31-March-2014 | Year ended<br>31-March-2013 |
| <b>26 Finance costs</b>                     |                             |                             |
| (a) Interest expense on:                    |                             |                             |
| (i) Working Capital                         | 1.84                        | 0.25                        |
| (b) Other borrowing costs                   | 0.03                        | 0.91                        |
|   | <u>1.87</u>                 | <u>1.16</u>                 |
| <b>27 Other Expenses</b>                    |                             |                             |
| Consumption of stores and spare parts       | -                           | 5.99                        |
| Power and fuel                              | 4.78                        | 6.71                        |
| Rent including lease rentals                | 0.54                        | 4.76                        |
| Repairs and maintenance - Buildings         | 0.34                        | -                           |
| Repairs and maintenance - Machinery         | -                           | 0.02                        |
| Repairs and maintenance - Others            | 2.69                        | 6.36                        |
| Society maintenance charges                 | 12.74                       | 4.29                        |
| Insurance                                   | 1.08                        | 0.97                        |
| Rates and taxes                             | 7.63                        | 6.33                        |
| Travelling and conveyance                   | 0.18                        | 1.30                        |
| Printing and stationery                     | 0.70                        | 0.40                        |
| Freight and forwarding                      | -                           | 0.05                        |
| Advertisement, Publicity & Selling Expenses | 0.92                        | 1.58                        |
| Postage & Telephone                         | 0.65                        | 1.17                        |
| Director Fees                               | 0.23                        | 0.30                        |
| General Charges                             | 8.12                        | 6.98                        |
| Legal and Professional                      | 15.29                       | 19.07                       |
| Interest on delayed payment of taxes        | -                           | 0.01                        |
| Security Charges                            | 10.76                       | 9.64                        |
| <u>Remuneration To Auditors</u>             |                             |                             |
| For Audit Fees                              | 1.69                        | 1.69                        |
| For Taxation Matters                        | 0.56                        | 0.56                        |
| For Other Services                          | 0.56                        | 0.56                        |
| Loss on sale of investments                 | 1.72                        | -                           |
| Other Manufacturing Expenses                | 0.43                        | 41.44                       |
| Sales Tax                                   | 0.07                        | 14.49                       |
| Diminution in value of investments          | 4.50                        | 2.19                        |
| Listing Fees                                | 0.17                        | 0.17                        |
| Electricity Charges                         | 0.03                        | 0.16                        |
| Office Expenses                             | 0.05                        | -                           |
| Fees & Subscription                         | 0.14                        | 0.20                        |
| Vehicle Expenses                            | 1.75                        | 1.26                        |
| Sundry Debit W/Off                          | 0.63                        | 0.02                        |
| Stamping Charges                            | -                           | 0.02                        |
| License and Registration                    | -                           | 0.56                        |
|   | <u>78.95</u>                | <u>139.25</u>               |

## 27.1 Value of Imported &amp; Indigenous Consumption of Stores &amp; Spares

|            | Rs. lacs | % | Rs. lacs | %    |
|------------|----------|---|----------|------|
| Imported   | -        | - | -        | -    |
| Indigenous | -        | - | 5.99     | 100% |

## 27.2 Expenditure in Foreign Currencies

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| Traveling Expenses | - | - | - | - |
|--------------------|---|---|---|---|

# Acrow India Ltd.

## Notes forming part of the financial statements

### 28. Contingent Liability and Commitment

- a) Guarantee given by Bank on behalf of the Company – Nil {Previous Year Rs. 2.76 lacs}, against which the Company has given counter guarantee.
- b) Demands made by the Income Tax Department towards Wealth Tax – Rs.15.43 lacs (Previous Year Rs. 15.43 lacs), against which the Company has preferred appeals.
- c) Demands made by Employees State Insurance Corporation Rs. 5.08 lacs (Previous Year Rs. 5.08 lacs) against which the Company has preferred appeals.

29 The Company's business comprises entirely of manufacture and sale of engineering goods, which is confined to the territorial limits of the country, where the risks and returns are largely similar.

As such, the Company has only one business segment and only one geographical segment.

### 30 Related Party disclosure:

#### Associated companies

The Ravalgaon Sugar Farm Ltd.  
Carina Finvest Ltd.

#### Transaction with related Parties:

Rs. In Lacs

| Transactions:                                      | Associate Companies |               |
|--|---------------------|---------------|
|  | 2013-2014           | 2012-2013     |
| Transactions : (Excluding taxes)                   |                     |               |
| <b>a) Sales &amp; Recoveries</b>                   | <b>0.16</b>         | <b>9.06</b>   |
| The Ravalgaon Sugar Farm Ltd.                      | 0.16                | 9.06          |
| <b>b) Interest Received</b>                        | <b>34.28</b>        | <b>21.84</b>  |
| The Ravalgaon Sugar Farm Ltd.                      | 34.28               | 21.48         |
| <b>c) Receipt for Sales</b>                        | <b>1.00</b>         | <b>13.96</b>  |
| The Ravalgaon Sugar Farm Ltd.                      | 1.00                | 13.96         |
| <b>d) Purchases</b>                                | <b>0.00</b>         | <b>0.81</b>   |
| The Ravalgaon Sugar Farm Ltd.                      | 0.00                | 0.81          |
| <b>e) Payments for Services and Expenses</b>       | <b>18.15</b>        | <b>71.57</b>  |
| The Ravalgaon Sugar Farm Ltd.                      | 4.52                | 56.66         |
| Carina Finvest Limited                             | 13.63               | 14.91         |
| <b>f) Lease Rent Paid</b>                          | <b>0.56</b>         | <b>2.58</b>   |
| The Ravalgaon Sugar Farm Ltd.                      | 0.56                | 0.56          |
| Carina Finvest Limited                             | -                   | 2.02          |
| <b>g) Service Charges</b>                          | <b>14.84</b>        | <b>72.37</b>  |
| The Ravalgaon Sugar Farm Ltd.                      | 0.20                | 58.86         |
| Carina Finvest Limited                             | 14.64               | 13.51         |
| <b>h) Balance in Inter Corporate Deposit Given</b> | <b>485.00</b>       | <b>270.00</b> |
| The Ravalgaon Sugar Farm Ltd.                      | 485.00              | 270.00        |
| <b>i) Balance in Receivables</b>                   | <b>8.34</b>         | <b>9.18</b>   |
| The Ravalgaon Sugar Farm Ltd.                      | 8.34                | 9.18          |
| <b>j) Balance in Payables</b>                      | <b>4.72</b>         | <b>8.68</b>   |
| The Ravalgaon Sugar Farm Ltd.                      | 3.71                | 7.52          |
| Carina Finvest Ltd.                                | 1.01                | 1.16          |

## Notes forming part of the financial statements

31st March 2014      31st March 2013

**31 Earnings per Share:**

|   |         |         |
|---|---------|---------|
| 1 Profit/(Loss) Computation for Earnings per Share of Rs.10 each :<br>Net Profit/ (Loss) as per Profit & Loss account available for Equity Share Holders. (Rs. In Lacs) | (64.75) | 4.18    |
| 2 Weighted Average number of Equity Shares for 'Earnings per Share' Computation   | 640,000 | 640,000 |
| 3 Earnings per Share (Rs.)  | (10.12) | 0.65    |

**32** Pursuant to the Accounting Standard (AS29) – Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in accounts for the year ended 31st March 2014 is as follows.

**Liability for Warranties**

|                 | 31st March 2014 | 31st March 2013 |
|-----------------|-----------------|-----------------|
| Opening Balance | 1.32            | 1.46            |
| Additions       | -               | -               |
| Utilisation     | -               | 0.14            |
| Reversals       | -               | -               |
| Closing Balance | 1.32            | 1.32            |

**33** The Company is re-evaluating its existing business model considering the nature of industry. Accordingly, there is no impact on going concern assumption.

As per our report of even date.

**For V. Sankar Aiyar & Co**  
Chartered Accountants  
Firm Registration No. 109208W

**Arvind Mohan**  
Partner  
Membership No.124082  
Mumbai  
Date: 8<sup>th</sup> May 2014

**For and on behalf of the Board of Directors**

**H. B. Doshi**  
Chairman

**N. H. Doshi**  
Director

**V. M. Bhat**  
Director

**N. K. Varma**  
Director

Mumbai  
Date: 8<sup>th</sup> May 2014

# Acrow India Ltd.

## e-Voting Instructions

The instructions for members for voting electronically are as under:-

- (I) **In case of members receiving Notice of AGM by e-mail or physical copy** [for members whose Email IDs are not registered with the Company/Depository Participants or requested physical copy]:
- 1) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - 2) Click on "Shareholders" tab to cast your votes.
  - 3) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
  - 4) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.  
In case you do not have an existing login id and password as referred to in (4) above, the following procedure is to be followed:
  - 5) Now, fill up the following details in the appropriate boxes:

|                        | <b>For Members holding shares in Demat Form</b>   | <b>For Members holding shares in Physical Form</b> |
|------------------------|---|--|
| User ID                | For NSDL: 8 Character DP ID followed by 8 Digits Client ID<br>For CDSL: 16 digits beneficiary ID  | Folio Number registered with the Company           |
| PAN*                   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders) |  |
| DOB#                   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |  |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  |  |

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: <ACROW12345> in the PAN field.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository, please enter the value <01/01/2001> in the DOB column or <ACROWINDIA123> in the Dividend Bank details field.

- 6) After entering these details appropriately, click on "SUBMIT" tab.
- 7) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ %& \*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of the company or any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 8) Click on the relevant EVSN along with the Company name on which you choose to vote.
- 9) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 10) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

- 11) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - 12) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - 13) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - 14) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code, click on Forgot Password and enter the details as prompted by the system.
  - 15) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to log on to <http://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- (II)** The voting period begins on 10th July 2014 at 09:00 hours and ends on 11th July 2014 at 18:00 hours. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14th June 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (III)** In case you have any queries or issues regarding e-voting, you may refer the "Frequently Asked Questions" ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**ACROW INDIA LIMITED**

Regd. Office : Plot Nos. 2 & 3, At & Post Ravalgaon  
Taluka Malegaon, Dist. Nasik - 423108, Maharashtra

**ATTENDANCE SLIP**

**54th ANNUAL GENERAL MEETING ON TUESDAY, 15<sup>TH</sup> JULY 2014**

Member's / Proxy's Name .....  
(In BLOCK Letters)

Folio No./DPID/Client ID No. ....

Shri/Smt. ....

am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the 54th ANNUAL GENERAL MEETING of the Company held at Krida Mandal Hall, Ravalgaon 423108, Taluka Malegaon, Dist. Nasik, Maharashtra on Tuesday, 15<sup>th</sup> July 2014 at 10.30 A.M.

Member's / Proxy's Signature

NOTE: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL

**ACROW INDIA LIMITED**

Regd Office : Plot No.: 2 & 3, At & Post Ravalgaon  
Taluka Malegaon, Dist. Nasik, 423108 (Maharashtra)

**FORM OF PROXY**

I/We .....

of ..... in the district of .....

being a member(s) of the above named Company hereby appoint

Shri / Smt. ....

of ..... in the district .....

or failing him .....

of ..... in the district of .....

or failing him .....

of ..... in the district of .....

as my / our Proxy to vote for me/ us on my / our behalf at the 54th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, 15th July 2014 at 10.30 a.m. and at any adjournment thereof.

Signed this ..... day of ..... 2014.

Signature .....

Please affix Re. 1/- Revenue Stamp

NOTES :

- (a) The form should be signed across the stamp as per specimen signature registered with the Company.
- (b) The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.
- (c) A Proxy need not to be a member of the Company.



54<sup>th</sup>

# Annual Report

2013 - 2014

**ACROW**



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**ACROW INDIA LIMITED**

**Regd Office** : Plot No : 2 & 3, At & Post Ravalgaon  
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