

52nd

Annual Report

2011 - 2012

ACROW



ACROW INDIA LIMITED
52nd Annual Report 2011-2012

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

ANNUAL GENERAL MEETING at 9:30 a.m on Saturday, 29th September 2012 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.

Acrow India Ltd.

NOTICE

NOTICE is hereby given that the 52nd Annual General Meeting of the Company will be held as scheduled below:

DATE : Saturday, 29th September 2012
TIME : 9:30 a.m.
PLACE : Krida Mandal Hall, Ravalgaon, Taluka Malegaon,
Dist. Nashik, Maharashtra, Pin Code 423108.

To transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2012 and Profit and Loss Account for the year ended 31st March 2012 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 appoint a Director in place of Mr. Narayan Varma who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Vikram Bhat who retires by rotation and, being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution

Ordinary Resolution

“**RESOLVED THAT** M/s V. Sankar Aiyar and Co., Chartered Accountants (Regn. No. 109208W), be and are hereby appointed as Auditors of the company, to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as shall be fixed by the Board of Directors of the company.”

By Order of the Board of Directors

H. B. Doshi
Chairman

Registered Office:
Ravalgaon, Taluka Malegaon,
Dist. Nasik, Maharashtra,
Pin Code 423108
Date: 10th August 2012

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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 Friday, 21st September 2012 to Saturday, 29th September 2012 (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 31st March 1998, 31st March 1999, 31st March 2000, 31st March 2001, 31st March 2002, 31st March 2003 and 31st March 2004 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, Directors Mr. Harshavardhan Doshi, Mr. Narayan Varma and Mr. Vikram Bhat retire by rotation and, being eligible offer themselves for re-appointment. The information and details pertaining to the directors to be provided vide Clause 49 of the Listing Agreement with Stock Exchange are given below:

Name of Director	Mr. H. B. Doshi	Mr. Narayan Varma	Mr. Vikram Bhat
Date of Birth	29/07/1955	20/08/1931	05/05/1934
Experience in specific areas and position held	Associated with Sugar Industry for over three decades	Associated with Sugar Industry for last many years	Associated with Sugar Industry for last many years
Qualification	B. Sc from University of Mumbai	Chartered Accountant	B. Sc, M.A (Hons) Cambridge University, U.K.
Directorship in other companies (Excluding Foreign Companies)	Three	One	Three
Shareholding	1.44%	Nil	Nil

By Order of the Board of Directors

H. B. Doshi
Chairman

Registered Office:
Ravalgaon, Taluka Malegaon,
Dist. Nasik, Maharashtra,
Pin Code 423108
Date: 10th August 2012

Acrow India Ltd.

DIRECTORS' REPORT

To,
The Members
Acrow India Ltd.

Your Directors have pleasure in presenting their 52nd Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2012.

(Rs. in lacs)

FINANCIAL RESULTS:	Current Year	Previous Year
Sales and Other Income	366.80	306.65
Operating Profit	20.45	37.50
Less: Interest & Finance Charges	1.95	1.36
Depreciation	31.34	29.87
Profit Before Tax	(12.84)	6.27
Less: Provision for Tax	-	-
Current Tax	0.75	6.10
Deferred Tax Credit / (Debit)	(6.86)	(5.80)
Tax for Earlier Years	-	-
Profit After Tax	(6.73)	5.97
Add: Balance brought forward from previous year	184.13	216.65
Balance available for appropriation	177.40	222.62
APPROPRIATIONS		
Proposed Dividend	-	32.00
Corporate Dividend Tax	-	5.19
Transfer to General Reserve	-	1.30
Balance Carried to Balance Sheet	177.40	184.13

DIVIDEND

The Company has transferred a sum of Rs. 18,212 being unclaimed dividend of the financial year 2003-2004 as per the provisions of Section 205C of the Companies Act, 1956 to the credit of "Investor Education and Protection Fund" established by the Central Government.

PERFORMANCE

The Company's turnover at Rs. 315.28 lacs (inclusive of excise duty and service tax) as compared to Rs. 251.57 lacs during the previous year reflects a 25.32 % increase compared to the previous year.

The Operating Profit for the year is Rs. 20.45 lacs as against Operating Profit of Rs. 37.50 lacs in the previous year and Loss Before Tax is Rs. 12.84 lacs as against Profit of Rs. 6.27 lacs in the previous year.

CURRENT YEAR

Current year's operations are expected to improve over the previous year.

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 Adsorption, 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, 1956 and Article 152 of the Company's Articles of Association, Mr. Harshavardhan B. Doshi, Mr. Narayan Varma and Mr. Vikram Bhat would retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

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. 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: 10th August 2012

Acrow India Ltd.

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 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 export sales given in Note 21 and details of Foreign Exchange outgo are given in Note 27.2 of Notes forming part of Financial Statements.

ANNEXTURE '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 2012. 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 2012:

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 2012.
4. The Board of Directors duly met 5 times on 25th April 2011, 25th July 2011, 12th August 2011, 21st October 2011 and 25th January 2012 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 Wednesday, 21st September 2011 to Thursday, 29th September 2011.
6. The Annual General Meeting for the financial year ended 31st March 2011 was held on Thursday, 29th September 2011 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 31st March 2012.
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. 1.80 crores and the maximum amount outstanding during the year amounts to Rs 1.80 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 2012:
 - (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, 2012.
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.

Acrow India Ltd.

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.
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 2012 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: August 10, 2012

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 2012

Sr No	Form No/ Return	Filed Under Section	Purpose	Date of Filing	Whether filed in time	If delay in Filing, whether with Requisite late filing fees
1	Compliance Certificate	383 A	Compliance certificate for the year ended 31 st March 2011	21/10/2011	Yes	NA
2	Annual Return	159	Annual Return for the financial year ended 31st March 2011	26/11/2011	Yes	NA
3	Balance Sheet	210	For the Year Ended 31st March 2011	30/11/2011	Yes	NA
4	Transfer of Unpaid Dividend	205C	Transfer of unpaid dividend of the year ended 31 st March 2004	23/11/2011	Yes	NA
5	Statement of unclaimed and unpaid amounts	Rule 3 of the IEPF	Statement of unclaimed and unpaid amounts	31/07/2012	Yes	NA

AUDITOR'S REPORT

The Shareholders
Acrow India Limited

1. We have audited the attached Balance Sheet of Acrow India Limited as at March 31, 2012, and the Profit & Loss Account and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 ("The Act"), as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 on the basis of the information and explanation given to us, and on the basis of such checks as we considered appropriate, we give in the Annexure, hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above 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.
 - (c) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the Books of Account.
 - (d) On the basis of written representation received from the Directors of the Company as at March 31, 2012 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2012 from being appointed as Director in terms of clause {g} of sub section {1} of section 274 of the Companies Act, 1956.
 - (e) In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub – section (3C) of section 211 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon 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:
 - (i) In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
 - (ii) In so far as it relates to the Profit and Loss Account, of the loss of the Company for the year ended on that date; and
 - (iii) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Regn No: 109208W

Place: Mumbai

Dated: August 10, 2012

Arvind Mohan
Partner
M. No. 124082

Acrow India Ltd.

Annexure to Auditors ' Report

Referred to In Paragraph 3 of our report of even date

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 as per the phased programme of physical verification of fixed assets. As informed to us programme is such that all the fixed assets will get physically verified in two years time which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets.
 - 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.
 - 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 loan to 1 company covered in the register maintained under section 301 of Companies Act, 1956 by renewal of existing loan. The maximum balance and year end balance is Rs. 1,80,00,000/-.
 - 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, principle is repayable on demand. During the year, the said loan has been renewed. Interest has been received as per terms of loan.
 - e. There are no overdues as on March 31, 2012.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventories, fixed assets and also for the sale of goods and services. During the course of audit, we have not observed any other continuing goods and services. During the course of audit, we have not observed any other continuing failure to correct major weaknesses in the internal control.
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 in respect of any party, 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 fixed deposits from public. Accordingly, clause (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 March 31, 2012 for a period of more than six months from the date of becoming payable.

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b According to the information and explanations given to us, the following disputed statutory dues on account of Excise duty, Purchase tax and Income Tax have not been deposited with the appropriate authorities:

Nature of dues	Amount not deposited in Rs. 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 Company does not have accumulated losses as per the Balance Sheet as the end of the financial year. The company has not incurred any cash loss during the year and 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.
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 (xiii) of the Order does not apply.
14. The Company has not traded in securities, debentures and other investments. Accordingly, clause (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 (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, funds raised on short-term basis have, prima facie, not 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 (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 (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

Place: Mumbai

Dated: August 10, 2012

Arvind Mohan

Partner

M. No. 124082

Acrow India Ltd.

Balance Sheet as at 31 March, 2012

	Note No.	As at 31 March, 2012	(Rs. in Lacs) As at 31 March, 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	64.00	64.00
(b) Reserves and surplus	3	847.34	854.07
		<u>911.34</u>	<u>918.07</u>
Non-current liabilities			
(a) Long-term borrowings	4	139.70	146.92
(b) Deferred tax liabilities (net)	5	117.77	124.63
(c) Other long-term liabilities	6	0.10	0.10
(d) Long-term provisions	7	0.31	-
		<u>257.88</u>	<u>271.65</u>
Current liabilities			
(a) Short-term borrowings	8	-	16.95
(b) Trade payables	9	96.28	36.66
(c) Other current liabilities	10	66.48	33.78
(d) Short-term provisions	11	4.98	42.67
		<u>167.74</u>	<u>130.06</u>
		<u>1,336.96</u>	<u>1,319.78</u>
ASSETS			
Non-current assets			
(a) Fixed assets : Tangible assets	12	485.06	486.01
(b) Non-current investments	13	35.39	35.39
(c) Long-term loans and advances	14	17.54	17.20
		<u>537.99</u>	<u>538.60</u>
Current assets			
(a) Current investments	15	75.00	75.00
(b) Inventories	16	145.34	126.03
(c) Trade receivables	17	16.44	10.80
(d) Cash and bank balances	18	331.70	314.96
(e) Short-term loans and advances	19	221.30	241.14
(f) Other current assets	20	9.19	13.23
		<u>798.97</u>	<u>781.18</u>
		<u>1336.97</u>	<u>1,319.78</u>
See accompanying notes forming part of the financial statements	1		

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
10-Aug-2012

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
10-Aug-2012

52nd Annual Report

Statement of Profit and Loss for the year ended 31 March, 2012

(Rs. In Lacs)

Particulars	Note No.	Year ended 31 March, 2012	Year ended 31 March, 2011
Income			
Revenue from operations (gross)	21	315.28	251.57
Less: Excise duty		29.91	24.30
Revenue from operations (net)		285.37	227.27
Other income	22	51.52	55.29
Total Revenue		336.89	282.56
Expenditure			
Cost of materials consumed	23	139.67	78.71
Changes in inventories of finished goods and work-in-progress	24	(36.57)	(3.49)
Employees benefits expenses	25	22.41	36.72
Finance costs	26	1.95	1.35
Depreciation and amortisation expense		31.34	29.87
Other expenses	27	190.93	133.13
Total Expenses		349.73	276.29
Profit before Tax		(12.84)	6.27
Tax expense:			
Current tax		0.75	6.10
Deferred tax		(6.86)	(5.80)
Profit after tax for the year		(6.73)	5.97
Earnings per share			
Basic and Diluted earning per share (Rs.)		(1.05)	0.93
Face Value per share fully paid up (Rs.)		10.00	10.00
See accompanying notes forming part of the financial statements	1		

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
10-Aug-2012

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
10-Aug-2012

Acrow India Ltd.

Note 1:

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 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.

During the financial year ended March, 2012 the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the company, for preparation and presentation of its financial statements. The company has also re-classified the previous year figures in accordance with the requirements applicable in the current 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 30th 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 30th 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.

Notes forming part of Balance Sheet

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.

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 31 March, 2012	As at 31 March, 2011
(a) Authorised 10,00,000 Equity shares of Rs. 10 each	100.00	100.00
(b) Issued, Subscribed and fully paid up 6,40,000 Equity shares of Rs.10 each	64.00	64.00
	64.00	64.00

Details of Shareholders holding more than 5% shares:

Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of	% holding in	Number of	% holding in
Carina Finvest Limited	316000	49.38	316000	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 no. of equity shares held by the shareholder.

Acrow India Ltd.

Notes forming part of the financial statements

3 Reserves and surplus

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
(a) Capital reserve		
Opening balance	12.79	12.79
Closing balance	<u>12.79</u>	<u>12.79</u>
(b) General reserve		
Opening balance	657.15	655.85
Add: Transferred from surplus in Statement of Profit and Loss	-	1.30
Closing balance	<u>657.15</u>	<u>657.15</u>
(c) Surplus / (Deficit) in Statement of Profit & Loss		
Opening balance	184.13	216.65
Add: Profit for the year	(6.73)	5.97
Less: Proposed Dividend	-	32.00
Tax on Proposed Dividend	-	5.19
Transfer to General Reserve	-	1.30
Closing balance	<u>177.40</u>	<u>184.13</u>
	<u>847.34</u>	<u>854.07</u>

4 Long-term borrowings

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Unsecured		
Deferred sales tax liability (refer Note 4.1)	139.70	146.92
Deferred payment liabilities	<u>139.70</u>	<u>146.92</u>

4.1 Repayable in annual installment from financial year 2012-13 to financial year 2020-2021.

5 Deferred Tax Liabilities (Net)

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Deferred Tax Assets		
Retirement Benefits	1.99	1.53
Deferred Tax Liabilities		
Depreciation	119.76	126.16
	<u>117.77</u>	<u>124.63</u>

6 Other long-term liabilities

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Trade / security deposits received	0.10	0.10
	<u>0.10</u>	<u>0.10</u>

7 Long-term provisions

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Provision for employee benefits:		
Leave Encashment	0.31	-
	<u>0.31</u>	<u>-</u>

Notes forming part of the financial statements

8 Short-term borrowings

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Secured		
Working Capital Loan from Bank (Refer Note 8.1)	-	16.95
	-	16.95

8.1 Working Capital borrowings from the banks are secured by first charge on pari passu basis by way of hypothecation of company's current assets both present and future and by way of joint equitable mortgage of company's immovable properties.

9 Trade payables

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Trade payables:		
Payable to Micro, Small and Medium Enterprises	-	-
Payables to Others	96.28	36.66
	96.28	36.66

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

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
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 year	-	-
Interest actually paid under section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Normal interest accrued during the year, 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 year	-	-
Total interest accrued during the year and remaining unpaid	-	-

10 Other current liabilities

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
(a) Current maturities of long-term debt		
Sales Tax Deferral (Refer Note No. 4.1)	7.22	-
(b) Unpaid dividends (Refer Notes 10.1)	3.77	2.93
(c) Statutory dues	5.80	0.97
(d) Advances from customers	39.23	24.56
(e) Other Expenses	10.46	5.32
	66.48	33.78

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

Acrow India Ltd.

Notes forming part of the financial statements

11 Short-term provisions

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
(a) Provision for employee benefits:		
(i) Provision for bonus	3.49	3.68
(ii) Provision for leave encashment	0.03	0.12
	<u>3.52</u>	<u>3.80</u>
(b) Provision - Others:		
(i) Provision for warranty	1.46	1.68
(ii) Provision for proposed equity dividend	-	32.00
(iii) Provision for tax on proposed dividends	-	5.19
	<u>1.46</u>	<u>38.87</u>
	<u>4.98</u>	<u>42.67</u>

13 Non-current investments

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Investment in equity instruments		
(i) Quoted		
500 (PY: 500) shares of Rs. 2 each fully paid up in Housing Development Finance Corporation Ltd.	0.01	0.01
500 (PY: 100 shares of Rs. 10) 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
(ii) Unquoted		
1,00,000 (PY: 1,00,000) shares of Rs.10 each fully paid up in MRP Refractories Ltd.	25.00	25.00
	<u>52.48</u>	<u>52.48</u>
Less: Provision for diminution in value of investments	17.09	17.09
	<u>35.39</u>	<u>35.39</u>
Aggregate amount of quoted investments	27.48	27.48
Aggregate market value of listed and quoted investments	48.75	61.42
Aggregate amount of unquoted investments	25.00	25.00

14 Long-term loans and advances

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Balances with government authorities Unsecured, considered good		
VAT credit receivable	9.70	9.70
Security Deposits	7.84	7.50
	<u>17.54</u>	<u>17.20</u>

15 Current investments

	(Rs. In Lacs)	
	As at	As at
	31 March, 2012	31 March, 2011
Quoted		
Investment in mutual funds		
5,00,000 (PY : 5,00,000) units of ICICI Pru-Interval IVQIP (Div Payout)	50.00	50.00
2,49,987.50 (PY : 2,49,987.50) units of Kotak Interval Plan SeriesVII (Div Payout)	25.00	25.00
	<u>75.00</u>	<u>75.00</u>
Aggregate amount of quoted investments	75.00	75.00
Aggregate market value of quoted investments	75.29	75.25

Notes forming part of the financial statements

12 FIXED ASSETS AS AT 31ST MARCH,2012

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION		DEDUCTIONS	TOTAL DEPRECIATION UPTO 31.03.2012	AS AT 31-03-2012	AS AT 31.03.2011
	AS AT 01.04.2011	ADDI-TIONS	DEDUC-TIONS	AS AT 31.03.2012	AS AT 01.04.2011	FOR THE YEAR				
<u>Tangible</u>										
LEASEHOLD LAND	5.31	-	-	5.31	1.79	0.04	-	1.83	3.48	3.52
BUILDINGS	549.84	-	-	549.84	159.12	14.15	-	173.27	376.57	390.72
PLANT & EQUIPMENT	231.29	0.74	-	232.03	172.61	9.31	-	181.92	50.11	58.68
ELECTRICAL INSTALLATIONS	22.55	-	-	22.55	16.59	0.68	-	17.27	5.28	5.96
FURNITURE , FIXTURES & OFFICE EQUIPMENTS	72.07	1.10	-	73.17	59.38	3.04	-	62.42	10.75	12.69
VEHICLES	26.04	28.72	0.37	54.39	11.60	4.12	0.21	15.51	38.88	14.44
	907.10	30.56	0.37	937.29	421.09	31.34	0.21	452.22	485.07	486.01
PREVIOUS YEAR	(907.10)	-	-	(907.10)	(391.22)	(29.87)	-	(421.09)	(486.01)	

Acrow India Ltd.

Notes forming part of the financial statements

16 Inventories

(At lower of cost and net realisable value)

(Rs. In Lacs)

	As at 31 March, 2012	As at 31 March, 2011
Raw materials	86.08	93.46
Work-in-progress	13.00	18.31
Finished goods	41.88	-
Stores and spares	4.38	14.26
	<u>145.34</u>	<u>126.03</u>

17 Trade receivables

(Rs. In Lacs)

	As at 31 March, 2012	As at 31 March, 2011
<u>Unsecured, considered good</u>		
Trade Receivables outstanding for a period exceeding six months	13.57	5.09
Others	2.87	5.71
	<u>16.44</u>	<u>10.80</u>

18 Cash and Bank Balance

(Rs. In Lacs)

	As at 31 March, 2012	As at 31 March, 2011
<u>Cash & Cash Equivalent</u>		
(a) Cash on hand	0.14	0.27
(b) In current accounts	17.69	1.62
<u>Other Bank Balance</u>		
(a) In deposit accounts	310.10	310.10
(b) In earmarked accounts		
- Unpaid dividend accounts	3.77	2.97
	<u>331.70</u>	<u>314.96</u>

19 Short-term loans and advances

(Rs. In Lacs)

	As at 31 March, 2012	As at 31 March, 2011
Security deposits		
Secured, considered good (Refer Note 19.1)	15.00	15.00
Loans and advances to employees		
Secured, considered good	0.25	0.11
Prepaid expenses - Unsecured, considered good	0.25	0.39
Balances with government authorities		
<u>Unsecured, considered good</u>		
CENVAT credit receivable	0.13	0.13
VAT credit receivable	0.02	-
Service Tax credit receivable	0.15	0.02
	<u>0.30</u>	<u>0.15</u>
Inter-corporate deposits		
Unsecured, considered good	180.00	180.00
Advance to suppliers		
Unsecured, considered good	9.40	7.40
Others		
Advance tax (net of provision tax)	16.10	38.09
	<u>221.30</u>	<u>241.14</u>

19.1 Includes Security deposit of Rs. 15.00 Lacs (Previous Year Rs. 15.00 Lacs) given to companies in which directors are interested against lease of premises.

20 Other current assets

(Rs. In Lacs)

	As at 31 March, 2012	As at 31 March, 2011
Interest accrued on deposits & loans	9.19	13.23
	<u>9.19</u>	<u>13.23</u>

Notes forming part of the financial statements

21 Revenue from operations

	(Rs. In Lacs)	
	Year Ended	Year Ended
	31 March, 2012	31 March, 2011
(a) Sale of products	301.70	242.79
(b) Sale of services (erection and commissioning)	1.43	2.14
(c) Other operating revenues		
Scrap Sales	2.74	1.55
Packing & Forwarding	9.41	5.09
	<u>315.28</u>	<u>251.57</u>
Details of Product sold		(Rs. In Lacs)
Finished Goods Sold	Year Ended	Year Ended
	31 March, 2012	31 March, 2011
Sugar Hoppers	133.53	127.47
Sugar Graders	-	34.65
Sugar Elevators	31.41	18.69
Pumps	21.38	3.55
Weighing & Bagging Machines	4.61	-
Others (including Spares)	110.77	58.43
	<u>301.70</u>	<u>242.79</u>
Earnings in Foreign Exchange		
F.O.B. Value of Exports	4.31	-

22 Other income

	(Rs. In Lacs)	
	Year Ended	Year Ended
	31 March, 2012	31 March, 2011
(a) Interest income (Refer Note 22.1)	43.40	34.53
(b) Dividend income from long term investments	7.17	4.63
(c) Other non-operating income	0.95	16.13
	<u>51.52</u>	<u>55.29</u>
22.1 Interest income comprises:		
Interest from banks on deposits	24.92	23.36
Interest on loans and advances	18.48	11.02
Others	-	0.15
	<u>43.40</u>	<u>34.53</u>

23 Cost of materials consumed

	(Rs. In Lacs)	
	Year Ended	Year Ended
	31 March, 2012	31 March, 2011
Opening stock	93.46	107.96
Add : Purchases	132.29	64.21
	<u>225.75</u>	<u>172.17</u>
Less : Closing stock	86.08	93.46
	<u>139.67</u>	<u>78.71</u>

Breakup of Material Consumed

	(Rs. In Lacs)	
	Year Ended	Year Ended
	31 March, 2012	31 March, 2011
Steel	71.44	44.78
Components & Others	68.23	33.93
	<u>139.67</u>	<u>78.71</u>

Value of Imported & Indigenous Consumption of Raw Materials

	(Rs. In Lacs)			
	Year Ended 31 March, 2012		Year Ended 31 March, 2011	
	Rs.	%	Rs.	%
Imported	-	-	-	-
Indigenous	139.67	100.00%	78.71	100.00%

Acrow India Ltd.

Notes forming part of the financial statements

24 Changes in inventories of finished goods and work-in-progress (Rs. In Lacs)

	Year Ended 31 March, 2012	Year Ended 31 March, 2011
<u>Inventories at the end of the year:</u>		
Finished goods	41.88	-
Work-in-progress	13.00	18.31
	54.88	18.31
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	18.31	14.82
	18.31	14.82
Net (increase) / decrease	(36.57)	(3.49)

Breakup of Finished Goods

	Year Ended 31 March, 2012	Year Ended 31 March, 2011
(Rs. In Lacs)		
Sugar Hoppers	28.09	-
Others (including Spares)	13.79	-
	41.88	-

Breakup of Work in Progress

	Year Ended 31 March, 2012	Year Ended 31 March, 2011
(Rs. In Lacs)		
Sugar Graders	10.00	-
Others (including Spares)	3.00	18.31
	13.00	18.31

25 Employees benefit expenses

	Year Ended 31 March, 2012	Year Ended 31 March, 2011
(Rs. In Lacs)		
Salaries and wages	18.06	31.64
Contributions to provident and other funds	3.57	4.30
Staff welfare expenses	0.78	0.78
	22.41	36.72

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 March, 2012	Year ended March, 2011
(Rs. In Lacs)		
Employer's Contribution to Provident Fund	3.57	4.30
Employer's Contribution to Superannuation Fund	-	-

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	(Rs. In Lacs)			
	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2011-2012	2010-2011	2011-2012	2010-2011
a) Reconciliation of Opening and Closing balances of Defined Benefit obligation				
Defined Benefit obligation at beginning of the year	1.21	1.55	0.12	0.17
Interest Cost	0.10	0.12	-	0.01
Current Service Cost	0.14	0.26	-	0.15
Actuarial (gain)/loss	0.22	(0.72)	0.22	(0.21)
Benefits paid	(0.64)	-	-	-
Defined Benefit obligation at year end	1.03	1.21	0.34	0.12
b) Reconciliation of Opening and Closing balances of Fair value of plan assets				
Defined Benefit obligation at beginning of the year	1.54	1.41	N.A	N.A
Expected return on the plan assets	0.13	0.11	N.A	N.A
Contributions Paid	-	-	N.A	N.A
Actuarial gain/(loss)	-	0.02	N.A	N.A
Benefits paid	(0.64)	-	N.A	N.A
Fair value of plan assets at year end	1.03	1.54	N.A	N.A
Actual return on plan assets	0.01	0.12	N.A	N.A
c) Reconciliation of fair value of assets and obligation.				
Fair value of plan assets as at 31st March, 2011	1.04	1.54	-	-
Present value of obligation as at 31st March, 2011	1.03	1.21	0.34	0.12
Amount recognized in Balance sheet	0.01	(0.33)	0.34	0.12
d) Expenses recognized during the year.				
Current Service Costs	0.14	0.26	-	0.15
Interest Cost	0.10	0.12	-	0.01
Expected return on plan assets	(0.13)	(0.11)	-	-
Actuarial (gain)/loss	0.21	(0.72)	0.22	(0.21)
Net Cost	0.32	(0.45)	0.22	(0.05)
e) Investment Details				
		% invested As at 31st March 2012		
L.I.C Group Gratuity (Cash Accumulation Policy)		<u>100%</u>		
		<u>100%</u>		

f) Actuarial assumptions:

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
	1994-96 (Ultimate)	
Mortality Table (L.I.C.)	1994-96 (Ultimate)	
Discount rate (per annum)	8.25%	8.25%
Expected rate of return on plan assets (per annum)	8.25%	NIL
Rate of escalation in salary (per annum)	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.

Acrow India Ltd.

Notes forming part of the financial statements

26 Finance costs

	Year ended March, 2012	(Rs. In Lacs) Year ended March, 2011
(a) Interest expense on:		
(i) Borrowings	1.02	0.51
(b) Other borrowing costs	0.93	0.85
	<u>1.95</u>	<u>1.36</u>

27 Other Expenses

	Year ended 31 March, 2012	(Rs. In Lacs) Year ended 31 March, 2011
Consumption of stores and spare parts	46.43	14.75
Power and fuel	5.39	4.61
Rent including lease rentals	10.46	6.68
Repairs and maintenance - Buildings	0.60	-
Repairs and maintenance - Machinery	0.20	0.02
Repairs and maintenance - Others	4.18	11.52
Insurance	0.68	0.79
Rates and taxes	2.08	1.94
Travelling and conveyance	2.36	8.83
Printing and stationery	0.72	0.45
Freight and forwarding	2.59	0.58
Business promotion	1.61	2.33
Legal and professional	10.25	3.17
Remuneration To Auditors		
For Audit Fees	1.69	1.10
For taxation matters	0.56	0.55
For other services	0.56	0.53
Reimbursement of expenses	0.03	-
Loss on fixed assets sold / scrapped / written off	0.08	-
Other Manufacturing Expenses	70.15	52.41
Interest on Delayed Payment of Taxes	0.23	-
Miscellaneous expenses	30.08	22.86
	<u>190.93</u>	<u>133.13</u>

27.1 Value of Imported & Indigenous Consumption of Stores & Spares

Particulars	(Rs. In Lacs)			
	Year Ended 31 March, 2012		Year Ended 31 March, 2011	
	Rs.	%	Rs.	%
Imported	-	-	-	-
Indigenous	46.43	100.00%	14.75	100.00%

27.2 Expenditure in Foreign Currencies

	Year ended 31 March, 2012	(Rs. In Lacs) Year ended 31 March, 2011
Traveling Expenses	0.27	4.75

Notes forming part of the financial statements

28. Contingent Liability and Commitment

- a) Guarantee given by Bank on behalf of the Company – Rs. 12.25 lacs (Previous Year Rs. 4.81 lacs), against which the Company has given counter guarantee.
- b) Demands made by the Income Tax Department towards Income Tax and Wealth Tax – Rs.18.10 lacs (Previous Year Rs. 18.10 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.
 Carnia Finvest Ltd.
 Lanica Financial Services Pvt Ltd.

Key Management Personnel :

Mr. Harshavardhan B Doshi, Chairman
 Mr. Nihal H. Doshi, Director

Transaction with related Parties:

Rs. In Lacs

Transactions: (Excluding taxes)	Associate Companies		Key Management	
	2011-2012	2010-2011	2011-2012	2010-2011
a) Sales & Recoveries	25.40	17.05	-	-
The Ravalgaon Sugar Farm Ltd.	25.40	17.05	-	-
b) Interest Received	18.48	17.20	-	-
The Ravalgaon Sugar Farm Ltd.	18.48	17.20	-	-
c) Receipt for Sales	17.84	-	-	-
The Ravalgaon Sugar Farm Ltd.	17.84	-	-	-
d) Purchases	2.49	1.31	-	-
The Ravalgaon Sugar Farm Ltd.	2.49	1.31	-	-
e) Payments for Services and Expenses	70.70	56.92	-	-
The Ravalgaon Sugar Farm Ltd.	60.46	53.61	-	-
Carina Finvest Limited	10.24	3.31	-	-
f) Lease Rent Paid	3.79	3.86	-	-
The Ravalgaon Sugar Farm Ltd.	0.89	0.55	-	-
Carina Finvest Limited	2.90	3.31	-	-
g) Service Charges	67.47	59.88	-	-
The Ravalgaon Sugar Farm Ltd.	60.13	59.88	-	-
Carina Finvest Limited	7.34	-	-	-
h) Balance in Inter Corporate Deposit Given	180.00	180.00	-	-
The Ravalgaon Sugar Farm Ltd.	180.00	180.00	-	-
i) Purchase of Fixed Assets	0.14	-	-	-
The Ravalgaon Sugar Farm Ltd.	0.14	-	-	-
j) Balance in Receivables	14.27	6.71	-	-
k) Balance in Payables	14.28	11.43	-	-

Acrow India Ltd.

31 Earnings per Share:

	31st March 2012	31st March 2011
1 Profit Computation for Earnings per Share of Rs.10 each. Net Profit as per Profit & Loss account available for Equity Share Holders. (Rs. In Lacs)	(6.73)	5.99
2 Weighted Average number of Equity Share for Earnings per Share Computation	640,000	640,000
3 Earnings per Share (Rs.)	(1.05)	0.94

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 2012 is as Follows.

Liability for Warranties

	31st March 2012	31st March 2011
Opening Balance	1.68	2.07
Additions	-	-
Utilisation	0.22	0.39
Reversals	-	-
Closing Balance	1.46	1.68

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
10-Aug-2012

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
10-Aug-2012

52nd Annual Report

Cash Flow Statement for the year ended 31 March, 2012

	(Rs. In Lacs)	
	Year ended 31 March, 2012	Year ended 31 March, 2011
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(12.84)	6.27
<i>Adjustments for:</i>		
Depreciation and amortisation	31.34	29.87
Interest Paid	1.95	0.51
(Profit) / loss on sale / write off of assets	0.08	-
Interest income	(43.40)	(34.53)
Dividend income	(7.17)	(4.63)
Net (gain) / loss on sale of investment	(17.20)	(0.21)
Operating profit / (loss) before working capital changes	(30.04)	(8.98)
<i>Adjustments for:</i>		
Inventories	(19.31)	9.66
Trade and other receivables	(8.10)	(5.14)
Trade Payables and Deposits	84.07	(0.11)
Net income tax (paid) / refunds	16.05	(15.23)
Net cash flow from / (used in) operating activities (A)	42.67	(13.54)
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(30.56)	-
Proceeds from sale of fixed assets	0.08	-
Inter-corporate deposits (net)	-	(80.00)
Interest received	47.44	25.74
Dividend received	7.17	4.63
Investment made / (sold)	-	(38.78)
Net cash flow from / (used in) investing activities (B)	24.13	(88.41)
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	(16.95)	16.95
Finance cost	(1.95)	(0.51)
Dividends paid	(31.16)	(31.29)
Net cash flow from / (used in) financing activities (C)	(50.06)	(14.85)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	16.74	(116.80)
Cash & Cash Equivalent	314.96	
Opening		431.76
Closing Balance	331.70	314.96

Note : 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
10-Aug-2012

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
10-Aug-2012

ACROW INDIA LIMITED

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

ATTENDANCE SLIP

52 nd ANNUAL REPORT MEETING ON SATURDAY, 29TH SEPTEMBER 2012

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 52nd ANNUAL GENERAL MEETING of the Company held at Krida Mandal Hall, Ravalgaon 423108, Taluka Malegaon, Dist. Nasik, Maharashtra on Saturday, 29th September 2012 at 9.30 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 members 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 52nd ANNUAL GENERAL MEETING of the Company to be held on Saturday, 29th September 2012 at 9.30 a.m. and at any adjournment thereof.

Signed this day of 2012.

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.

**BOOK POST
(UCP)**

If undelivered please return to

ACROW INDIA LIMITED

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