

ACROW INDIA LIMITED 51st Annual Report 2010-11

BOARD OF DIRECTORS	Mr. HARSHAVARDHAN B. DOSHI <i>(Chairman)</i> Mr. NARAYAN VARMA Mr. M. B. BHIDE Mr. VIKRAM BHAT Mr. NIHAL H. DOSHI Mr. A. S. ASHTEKAR
AUDITORS	M/s. V. SANKAR AIYAR & CO. Chartered Accountants
BANKERS	BANK OF BARODA
REGISTERED OFFICE	Plot No 2 & 3, Ravalgaon, Taluka Malegaon, Dist. Nasik, Maharashtra, Pin Code 423108. Tel Nos.: (02554) 270274 / 270238, Fax no.:(02554) 270284
CORPORATE OFFICE	Showroom No. 10, Arcade Building, Ground Floor, World Trade Center, Cuffe Parade, Mumbai 400005. Tel Nos.: (022) 22184291/ 22186479, Fax No.: (022) 22184294
FACTORY	Ravalgaon – 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra. Tel Nos.: (02554) 270274 / 270238, Fax No : (02554) 270284
REGISTRAR & SHARE TRANSFER AGENT	M/s Freedom Registry Ltd. Plot No. 101/102, 19th street, MIDC Industrial Area, Satpur, Nasik - 422001. Tel (0253) 2354032. Fax (0253) 2351126.

ANNUAL GENERAL MEETING: at 9:30 a.m. on Thursday, 29th September 2011 at Krida Mandal Hall, Ravalgaon - 423108, Taluka Malegaon, Dist. 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.

NOTICE :

NOTICE is hereby given that the **51st** Annual General Meeting of the Company will be held as scheduled below:

DATE : Thursday, 29th September 2011,
TIME : 9:30 a.m.
PLACE : Krida Mandal Hall, Ravalgaon, Taluka Malegaon,
Dist. Nasik, Maharashtra, Pin Code 423108.

To transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2011 and Profit and Loss Account for the year ended 31st March 2011 along with the reports of the Auditors and the Board of Directors.
2. To declare dividend on equity shares of the company.
3. To appoint a Director in place of Mr. A.S.Ashtekar who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. M. B. Bhide 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: 25th July 2011

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 Wednesday, 21st September 2011 to Thursday, 29th September 2011 (both days inclusively).
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 years ended 30th September 1997, 30th September 1998, 30th September 1999 and 30th September 2000, 30th September 2001, 30th September 2002 and 30th September 2003 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) Dividend for the financial year ended 30th September, 2004 which remains unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government on 30th, September, 2011 pursuant to the provisions of Section 205 A & 205 C of the Companies Act, 1956. The shareholders are requested to apply for claim of unclaimed Dividend for the financial year ended 30th September 2004 and thereafter.
 - iii) 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. M.B.Bhide and Mr. A. S. Ashtekar retire by rotation and, being eligible offer themselves for re-appointment. The information and details pertaining to the director to be provided vide Clause 49 of the Listing Agreement with the Stock Exchange are given below:

Name of Director	Mr. M. B. Bhide	Mr. A. S. Ashtekar
Date of Birth	18 th September 1932	15 th May 1945
Experience in specific areas and position held	Associated with Sugar industry for last over 35 years	Associated with Sugar industry for last over 35 years
Qualification	B.E. Mechanical and Electrical from Pune University. 2 nd rank .	Diploma in Mechanical and Electrical Engineering
Directorship in other companies (Excluding Foreign companies)	One	One
Shareholding	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: 25th July 2011

DIRECTORS' REPORT

To,
The Members
Acrow India Ltd.

Your Directors have pleasure in presenting their **51st** Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2011.

FINANCIAL RESULTS:

Rs. in lacs

	Current Year	Previous Year
Sales and other Income	306.65	337.93
Operating Profit	37.50	59.29
Less: Interest & Finance Charges	1.36	1.55
Depreciation	29.87	32.29
Profit before Tax	6.27	25.45
Less: Provision for Tax		
Current Tax	6.10	12.25
Deferred Tax Credit / (Debit)	-5.80	-18.61
Tax for Earlier Years	-	-0.94
Profit After Tax	5.97	32.75
Add: Balance brought forward from previous year	216.65	224.51
Balance available for appropriation	222.62	257.26

APPROPRIATIONS

-Proposed Dividend	32.00	32.00
-Corporate Dividend Tax	5.19	5.31
-Transfer To General Reserve	1.30	3.30
Balance carried to Balance Sheet	184.13	216.65

DIVIDEND:

The Board is pleased to recommend payment of Dividend of 50% (Rs 5.00 for each equity shares, on 6,40,000 equity shares of Rs 10/- each) for the financial year ended 31st March 2011. The dividend, if declared at AGM, will be paid to those shareholders whose names appear in the Register of Members of the Company on 29th September 2011 or on the Register of Beneficial Owners maintained by the Depositories, as per the details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for the purpose of payment of dividend.

The Company has transferred a sum of Rs.14,625 being unclaimed Dividend of the financial year 2002-2003 as per the provisions of 205C of the Companies Act, 1956 to the credit of "Investor Education and Protection Fund" established by the Central Government. The unclaimed Dividend for the year 2003-2004 shall be due for payment to "Investor Education and Protection Fund" on 30th November 2011.

PERFORMANCE

The Company's turnover at Rs. 251.57 lacs (inclusive of excise duty and service tax) as compared to Rs. 284.44 lacs during the previous year reflects a 11.56% Decrease compared to the previous year.

The Operating Profit for the year is Rs. 37.50 lacs as against Operating Profit of Rs. 59.29 lacs in the previous year and Profit Before Tax is Rs. 6.27 lacs as against Rs. 25.45 lacs in the previous year.

CURRENT YEAR

Current year's operations are quite encouraging. There is a better response to the company's products from the sugar industry.

INCOME TAX

The Income Tax Assessments of the Company have been completed upto the Accounting Year 2007-08.

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 are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit 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. M.B.Bhide and Mr. A. S. Ashtekar would retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer them selves 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:
Plot Nos. 2 & 3, Post Ravalgaon, Taluka Malegaon,
Dist. Nashik, Maharashtra, Pin Code 423108.

Date: 25th July 2011

ANNEXURE 'A' TO 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 and 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 reflect the true 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 are no export sales. Details of Foreign Exchange outgo are given in Schedule N Note No. 9 (h) (Notes to Accounts)

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 2011. 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 2011:

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 2011.
4. The Board of Directors duly met 4 times on 30th April 2010, 27th July 2010, 22nd October 2010 and 25th January 2011 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, 15th September 2010 to Thursday, 30th September 2010.
6. The Annual General Meeting for the financial year ended 31st March 2010 was held on Thursday, 30th September 2010 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 2011.
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 balance 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 2011:
 - (i) The Company has delivered all the certificates on lodgment 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, 2011.
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.

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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 2011 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

Signature

BIPIN RAJE
C.P No: 6147

Place : Mumbai
Date : July 25, 2011

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 2011

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	Annual Return	159	Annual Return for the Financial Year ended 31st March 2010	19th November 2010	Yes	NA
2	Balance Sheet	210	For the Year ended 31st March 2010	19th October 2010	Yes	NA
3	Compliance certificate	383 A	For the year ended 31st March 2010	07th October 2010	Yes	NA
4	Transfer of Unpaid Dividend	205C	Transfer of unpaid dividend of the year ended 31st March 2003	23rd December 2010	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, 2011 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, 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 in this report are in agreement with the Books of Account.
 - (d) In our opinion, the Balance Sheet and Profit & Loss Account 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.
 - (e) On the basis of written representation received from the Directors of the Company as at March 31, 2011 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2011 from being appointed as Director in terms of clause {g} of sub section {1} of section 274 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 Companies Act, 1956, 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 2011;
 - (ii) In so far as it relates to the Profit and Loss Account, of the profit 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

Arvind Mohan
Partner
M.No.124082

Place: Mumbai
Dated: July 25, 2011

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 at the 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, secured or unsecured, granted / taken to / from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us
 - a. The Company has given a loan of Rs. 80 lacs to one company during the year. At the year end, the outstanding balance of loans already granted to one company aggregated to Rs. 180 lacs and the maximum amount outstanding during the year amounted to Rs. 180 lacs.
 - b. The rate of interest and other terms and conditions of such loan is, in our opinion, prima facie not prejudicial to the interest of the company.
 - c. The recovery and payment of principal amounts and interest have been regular as stipulated.
 - d. There are no overdue amounts of over Rs. 1 lac remaining outstanding as at the year end.
 - e. The company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
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. In our opinion there is no continuing failure to correct major weaknesses in 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, 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 the public. Accordingly Clause 4(vi) of the Order does not apply.
7. In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
8. Central government has not prescribed any maintenance of cost records. Accordingly Clause 4(viii) of the Order does not apply.
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, 2011 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 Wealth Tax, Employee State Insurance Fund and Income Tax have not been deposited with the appropriate authorities:

Nature of dues	Amount 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
Income Tax	2.67	2006-2007	Commissioner of Income Tax (Appeals)

10. The Company has does not have accumulated losses and 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 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. No term loans have been taken during the year by the company. 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

Place: Mumbai
Dated: July 25, 2011

Arvind Mohan
Partner
Membership No. 124082

Acrow India Ltd.

BALANCE SHEET AS AT 31ST MARCH, 2011

		As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
Schedule			
I. SOURCES OF FUNDS :			
1. Shareholders' Funds			
Share Capital	1	64.00	64.00
Reserves & Surplus	2	<u>854.07</u>	<u>885.29</u>
		918.07	949.29
2. Loan Funds			
Secured Loans	3	16.95	-
Unsecured Loans	4	<u>146.92</u>	<u>146.92</u>
		163.87	146.92
3. Deffered Tax Liability (Net)			
		<u>124.63</u>	<u>130.43</u>
		<u>1206.57</u>	<u>1226.64</u>
II. APPLICATION OF FUNDS :			
1. Fixed Assets			
Gross Block	5	907.46	907.46
Less : Depreciation		<u>421.45</u>	<u>391.58</u>
Net Block		486.01	515.88
Capital work-in-progress		<u>-</u>	<u>-</u>
		486.01	515.88
2. Investments			
	6	110.39	71.40
3. Current Assets, Loans & Advances			
Inventories	7	126.03	135.69
Sundry Debtors	8	10.80	5.36
Cash & Bank Balances	9	314.96	431.76
Loans & Advances	10	<u>271.59</u>	<u>179.28</u>
		723.38	752.09
Less : Current Liabilities & Provisions			
Current Liabilities	11	75.90	75.11
Provisions	12	<u>37.31</u>	<u>37.62</u>
Net current Assets		<u>610.17</u>	<u>639.36</u>
		<u>1206.57</u>	<u>1226.64</u>

Significant Accounting Policies and Notes to Accounts 21

As per our report of even date

For V. SANKAR AIYAR & Co
Chartered Accountants
Firm Registration No. 109208W

For and on behalf of the Board of Directors

H.B. Doshi
Chairman

N. H. Doshi
Director

Arvind Mohan
Partner
Membership No.124082
Mumbai
Date 25-Jul-2011

V. M. Bhat
Director

A. S. Ashtekar
Director

Mumbai
Date: 25-Jul-2011

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

		Year Ended 31-Mar-2011 Rs in Lacs	Year Ended 31-Mar-2010 Rs in Lacs
	Schedule		
Income			
Sales and Recoveries	13	251.57	284.44
Less : Excise Duty		<u>24.30</u>	<u>21.26</u>
Net Sales		227.27	263.18
Profit on Sale of Investments		0.21	
Profit on Sale of Assets		-	3.86
Other Income	14	55.08	49.63
Increase / (Decrease) in Stocks	15	<u>3.49</u>	<u>-0.47</u>
		286.05	316.20
Expenditure			
Cost of Materials	16	93.46	111.01
Manufacturing & Maintenance Expenses	17	68.56	54.71
Employees Remuneration and Benefits	18	36.72	38.41
Selling, Administrative and Other Expenses	19	49.81	52.78
Interest and Finance Charges	20	1.36	1.55
Loss on Sale of Assets		-	-
Depreciation		<u>29.87</u>	<u>32.29</u>
		279.78	290.75
Profit Before Tax		6.27	25.45
Provision for Tax :			
Current Tax		6.10	12.25
Deferred Tax		-5.80	-18.61
(Excess) / Short Provision of Income Tax for Earlier Years		<u>-</u>	<u>-0.94</u>
Profit After Tax		5.97	32.75
Add : Balance brought forward from previous year		<u>216.65</u>	<u>224.51</u>
		222.62	257.26
Appropriations			
Transferred to General Reserve		1.30	3.30
Proposed Dividend		32.00	32.00
Dividend Distribution Tax		<u>5.19</u>	<u>5.31</u>
Balance Carried to Balance Sheet		184.13	216.65
Earnings per Share (Basic & Diluted)		0.93	5.12
Face value of Rs 10/- per share fully paid up			

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

25-Jul-2011

For and on behalf of the Board of Directors

H.B. Doshi

Chairman

N. H. Doshi

Director

V. M. Bhat

Director

A. S. Ashtekar

Director

Mumbai

25-Jul-2011

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
Schedule 1 : Share Capital		
Authorised		
10,00,000 Equity Shares of Rs 10/- each (Previous year 10,00,000 Equity Shares of Rs 10/- each)	<u>100.00</u>	<u>100.00</u>
Issued and Subscribed		
6,40,000 Equity Shares of Rs 10/- each fully paid up (Previous year 6,40,000 Equity Shares of Rs 10/- each fully paid up)	64.00	64.00
Of the above :		
a) 42,600 (Previous year 42,600) Equity Shares of Rs.10/- each have been issued as fully paid up pursuant to a contract without payment being received in cash		
b) 5,22,700 (Previous year 5,22,700) Equity Shares of Rs.10/- each have been issued as fully paid Bonus Shares by capitalisation of Revenue Reserves		
	<u>64.00</u>	<u>64.00</u>
Schedule 2 : Reserves & Surplus		
Capital Reserve	12.79	12.79
General Reserve	655.85	652.55
Transferred from Profit & Loss account	<u>1.30</u>	3.30
Profit & Loss Account	<u>184.13</u>	<u>216.65</u>
	<u>854.07</u>	<u>885.29</u>
Schedule 3 : Secured Loans		
From Banks		
Cash Credit	16.95	-
Secured by Hypothecation of Stocks of Raw Materials , Stock in Process , Finished Goods, Materials-in-Transit, Stores & Spares and Book Debts		
	<u>16.95</u>	<u>-</u>
Schedule 4 : Unsecured Loans		
Deferred Sales Tax Loan (Refer Note 3 of Schedule 21)	146.92	146.92
	<u>146.92</u>	<u>146.92</u>

Schedule 5 : Fixed Assets As at 31st March, 2011

Rs in Lacs

Particulars	Gross Block			Depreciation			Net Block		
	As At 01-Apr-2010	During the year		As At 01-Apr-2010	For the year	Deduction	As At 31-Mar-2011	As At 01-Apr-2010	
		Additions	Deductions						31-Mar-2011
Leasehold Land *	5.31			5.31	0.06		1.79	3.52	3.58
Factory Building	549.84			549.84	14.15		159.12	390.72	404.87
Plant & Machinery	231.29			231.29	9.40		172.61	58.68	68.08
Electrical Installations	22.55			22.55	0.68		16.59	5.96	6.64
Patents	0.36			0.36	-		0.36	-	-
Furniture, Fixtures & Office Equipment	72.07			72.07	3.25		59.38	12.69	15.94
Vehicles	26.04			26.04	2.33		11.60	14.44	16.77
Total	907.46	-	-	907.46	29.87	-	421.45	486.01	515.88
Capital work-in-progre	-			-				-	-
Grand Total	907.46	-	-	907.46	29.87	-	421.45	486.01	515.88
Previous Year	931.70	57.41	81.65	907.46	32.29	16.30	391.58	515.88	

* The leasehold land situated at Aurangabad has been acquired on a 95 year lease from MIDC. The premium paid of Rs. 5.31 lacs is being amortised over the lease period. Accordingly, an amount of Rs. 0.06 lacs (Previous year Rs. 0.06 lacs) has been charged to the Profit & Loss Account of the year.

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
Schedule 6 : Investments		
(Other than Trade Investments)		
A. Long Term :		
Quoted		
Housing Development Finance Corporation Ltd. 500 Equity Shares of Rs.2/- each, fully paid	0.01	0.01
HDFC Bank Ltd. 100 Equity Shares of Rs.10/- each, fully paid	0.01	0.01
IDBI Bank Ltd. 28,480 Equity Shares of Rs.10/- each, fully paid. (including 10,680 Bonus Shares of Rs10/- each)	23.14	23.14
Dena Bank Ltd. 14,400 Equity Shares of Rs.10/- each, fully paid.	4.32	4.32
	<u>27.48</u>	<u>27.48</u>
Aggregate Market Value of Quoted Investments	61.42	48.69
Unquoted		
MPR Refractories Ltd. 100,000 Equity Shares of Rs.10/- each, fully paid. (including 50,000 Bonus Shares of Rs.10/- each)	25.00	25.00
	<u>25.00</u>	<u>25.00</u>
B. Current :		
a) ICICI Prudential Equity and Derivative Fund. (Nil Units. Previous Year 3,29,597 units)	-	36.01
b) ICICI Pru-Interval IVQIP (Div Payout) (5,00,000 units. Previous Year Nil)	50.00	-
c) Kotak Interval Plan Series VII (Div Payout) (2,49,987.50 units. Previous Year Nil)	25.00	-
	<u>127.48</u>	<u>88.49</u>
Total Investments	127.48	88.49
Less : Diminution in value of Investments	<u>-17.09</u>	<u>-17.09</u>
	<u>110.39</u>	<u>71.40</u>
Schedule 7 : Inventories		
(As valued and certified by the Management)		
Stores & Spares	14.26	12.91
Raw Materials	93.46	107.96
Finished Goods (Including purchased accessories)	-	-
Work-in-Progress	18.31	14.82
	<u>126.03</u>	<u>135.69</u>
Schedule 8 : Sundry Debtors		
(Unsecured and Considered Good)		
Exceeding Six months	5.09	1.05
Others	5.71	4.31
	<u>10.80</u>	<u>5.36</u>

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SCHEDULES FORMING PART OF THE BALANCE SHEET

	As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
Schedule 9 : Cash and Bank Balances		
Cash on Hand	0.27	0.20
With Scheduled Banks :		
In Current Account	4.59	106.46
In Fixed Deposit Account	310.10	325.10
	314.96	431.76
Schedule 10 : Loans & Advances (Unsecured and Considered good)		
Advances Recoverable in cash or in kind or for value to be received	17.65	17.60
Interest Receivable	13.23	4.44
Advance Income Tax (Net of provisions)	38.09	34.27
Balance with Excise Authorities	0.12	0.47
Inter Corporate Deposits	180.00	100.00
Other Deposits	22.50	22.50
	271.59	179.28
Schedule 11 : Current Liabilities		
Sundry Creditors (No dues towards Micro, Small and Medium Enterprises)	36.66	30.14
Advances Received	24.56	27.15
Other Liabilities	11.65	15.55
Unclaimed Dividends (Not Due for credit to "Investor Education and Protection Fund" as on 31st March, 2011)	2.93	2.22
Deposits	0.10	0.05
	75.90	75.11
Schedule 12 : Provisions		
Proposed Dividend	32.00	32.00
Dividend Distribution Tax	5.19	5.31
Employee Benefits		
Provision for Leave Encashment	0.12	0.17
Provision for Gratuity	-	0.14
	37.31	37.62

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year Ended 31-Mar-2011 Rs in Lacs	Year Ended 31-Mar-2010 Rs in Lacs
Schedule 13 :		
Sales	244.34	274.64
Erection and Other Recoveries	7.23	9.80
	251.57	284.44
Schedule 14 : Other Income		
Dividend Income	4.63	2.57
Long Term : Rs 1.19 lacs. (Previous Year Rs 0.92 lacs)		
Current : Rs 3.44 lacs. (Previous Year Rs 1.65 lacs)		
Interest Income (Tax Deducted at Source : Rs.3.55 Lacs; Previous Year Rs.8.80 Lacs)	34.53	37.55
Lease Rentals	-	1.80
Miscellaneous Income	14.72	4.70
Sundry Credit Balances / Excess Provisions Written Back	1.20	3.01
	55.08	49.63
Schedule 15 : Increase / (Decrease) in Stocks		
Closing Stock - Finished Goods *	-	-
Closing Stock - Work in Progress	18.31	14.82
	18.31	14.82
Opening Stock - Finished Goods *	-	1.53
Opening Stock - Work in Progress	14.82	13.76
	14.82	15.29
	3.49	-0.47
* Including purchased accessories		
Schedule 16 : Cost of Materials		
Raw Materials Consumed		
Opening Stocks	107.96	140.75
Add : Purchases	64.21	63.00
	172.17	203.75
Less : Closing Stocks	93.46	107.96
	78.71	95.79
Stores & Spares Consumed	14.75	15.22
	93.46	111.01
Schedule 17 : Manufacturing and Maintenance Expenses		
Power and Fuel	4.61	4.61
Repairs and Maintenance :		
Buildings	-	-
Machinery	0.02	-
Others	11.52	3.22
Other Manufacturing Expenses	52.41	46.88
	68.56	54.71

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SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year Ended 31-Mar-2011 Rs in Lacs	Year Ended 31-Mar-2010 Rs in Lacs
Schedule 18 : Employees' Remuneration and Benefits		
Salaries , Wages and Bonus	31.64	34.36
Contribution to Provident Fund and Other Funds	4.30	3.31
Employee Welfare Expenses	0.78	0.74
	36.72	38.41
Schedule 19 : Administrative, Selling and Other Expenses		
Rent	6.68	6.42
Rates and Taxes	1.94	5.65
Insurance	0.79	0.79
Printing and Stationery	0.45	0.50
Postage and Telephones	1.59	1.70
Travel and Conveyance	8.83	3.34
Legal and Professional Charges	3.17	7.11
Advertisement and Sales Promotion	2.33	0.64
Packing and Forwarding	0.58	0.01
Society Maintenance Charges	4.47	4.11
Security Charges	6.73	6.67
General Charges	6.06	1.25
Miscellaneous Expenses	3.73	4.09
Bad Debts written off	-	8.07
Sundry Balances Written off	0.01	0.03
Directors' Fees	0.27	0.26
Auditors' Remuneration :		
Statutory Audit Fees	1.10	1.10
Tax Audit Fees	0.55	0.50
Certification	0.53	0.54
	49.81	52.78
Schedule 20 : Interest and Finance Charges		
Interest		
On Fixed Loan	0.02	0.03
Other Interest	0.49	0.21
Bank Charges and Guarantee Commission	0.85	1.31
	1.36	1.55

Schedule 21:

NOTES FORMING PART OF THE ACCOUNTS

1. Significant Accounting Policies:

a) Basis of Accounting:

The financial statements are prepared under historical cost convention, on a going concern basis, in accordance with the applicable accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, and relevant provisions of the Companies Act, 1956.

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 year on Straight Line Method

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 ruling 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.

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. Contingent Liability on account of:

- b) Guarantee given by Bank on behalf of the Company – Rs. 4.81 lacs (Previous Year Rs. 19.03 lacs), against which the Company has given counter guarantee.
- c) Demands made by the Income Tax Department – Rs. 18.10 lacs (Previous Year Rs. 18.10 lacs), against which the Company has preferred appeals.
- d) Demands made by Employees State Insurance Corporation Rs. 5.08 lacs (Previous Year Rs. 5.08 lacs) against which the Company has preferred appeals.

3. Under the package scheme of Incentive 1993, the company has been permitted to defer the Sales Tax liability pertaining to the period from 01.04.2001 to 30.11.05 by the way of interest free Sales Tax loan. The repayment of the same would commence at the expiry of 10th year i.e. w.e.f. April, 2011 in five equal annual installments.

4. 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.

5. Related Party disclosure:

<p>Associated companies</p> <ul style="list-style-type: none"> • The Ravalgaon Sugar Farm Ltd. • Carnia Finvest Ltd. • Lanica Financial Services Pvt Ltd. 	<p>Key Management Personnel :</p> <ul style="list-style-type: none"> • Mr. Harshavardhan B Doshi, Chairman • Mr. Nihal H. Doshi, Director
---	--

Transaction with related Parties:

Rs. In Lacs

Transactions: (Excluding taxes)	Associate Companies		Key Management	
	2010-2011	2009-2010	2010-2011	2009-2010
a) Sales & Recoveries	17.05	6.14	Nil	Nil
b) Lease Rent Received	-	1.80	Nil	Nil
c) Interest Received	17.20	11.00	Nil	Nil
d) Purchases	1.31	1.41	Nil	Nil
e) Payments for Services and Expenses	56.92	59.97	Nil	Nil
f) Lease Rent Paid	3.86	3.50	Nil	Nil
g) Service Charges	59.88	54.33	Nil	Nil

Acrow India Ltd.

Transactions: (Excluding taxes)	Associate Companies		Key Management	
	2010-2011	2009-2010	2010-2011	2009-2010
h) Balance in Inter corporate Deposit Given	180.00	100.00	Nil	Nil
i) Balance in Receivables	6.71	4.23	Nil	Nil
j) Balance in Payables	11.43	6.84	Nil	Nil
k) Sale of Fixed Assets	-	20.00	Nil	Nil
l) Dividend Paid	0.88	0.62	Nil	Nil

6. Earnings per Share:

Particulars	31st March 2011	31st March 2010
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)	5.99	32.76
2 Weighted Average number of Equity Share for Earnings per Share Computation	640,000	640,000
3 Earnings per Share (Rs.)	0.94	5.12

7. The net deferred tax liability as at 31st March 2011 comprises of the following:

Rs in lacs

	31st March 2011	31st March 2010
Deferred Tax Liabilities		
Depreciation	126.16	131.74
Deferred Tax Assets		
Expenditure allowed on payment basis under the Income tax Act, 1961	1.54	1.32
Net Deferred Tax Liability (A-B)	124.62	130.42

8. Additional Information pursuant to the provisions of paragraph 3, 4C and 4D of Part II, Schedule VI to the Companies Act, 1956.

a) Particulars in respect of goods manufactured:

Rs in Lacs

Particulars	Licensed Capacity	Installed Capacity	Actual Production at factory		Stock of Finished Goods			
					Opening		Closing	
					M.T.	M.T.	M.T. / Nos.	Value
1 Acrow Steel Shuttering Scaffolding and Industrial Storage System	4800 (4800)	4800 (4800)	--	--	--	--	--	--
2 Sugar Hoppers	*(iii)	*(iii)	16 (23)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
3 Sugar Graders	*(iii)	*(iii)	2 (1)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
4 Sugar Elevators	*(iii)	*(iii)	2 (2)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
5 Pumps	*(iii)	*(iii)	3 (8)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
6 Weighing Machines	*(iii)	*(iii)	-- (1)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
7 Others	*(iii)	*(iii)	-- (--)	-- (--)	-- (--)	-- (0.73)	-- (--)	-- (--)

NOTES:

- i. Figures in bracket indicate corresponding information in respect of the previous year.
- ii. The Company manufactures as many as 50 General items of Machinery used in Sugar and Confectionery Industries for which Licensed / Installed Capacity requirements are not applicable.

b) Details of Raw Materials consumed:

Particulars	2010-2011		2009-2010	
	Quantity M.T.	Rs. in Lacs	Quantity M.T.	Rs. in Lacs
Steel	101.95	44.78	110.38	67.63
Components & Others	--	33.93	--	28.17
Total	101.95	78.71	110.38	95.80

c) Value of Imported & Indigenous Consumption of raw Materials:

	2010-2011		2009-2010	
	Rs. In Lacs	%	Rs. In Lacs	%
Imported	--	0.00%	0.64	0.67%
Indigenous	78.71	100.00%	95.15	99.33%
Total	78.71	100.00%	95.79	100.00%

d) Value of Imported & Indigenous Consumption of Stores & Spares:

Imported	--	--	--	--
Indigenous	14.75	100.00	15.23	100.00
Total	14.75	100.00	15.23	100.00

e) CIF Value of Import

(Rs in Lacs)

Particulars	2010-2011	2009-2010
Raw Materials	--	--

f) Details of Sales:

(Rs in Lac's)

Particulars	2010-2011			2009-2010		
	Quantity		Value	Quantity		Value
	M.T	Nos	Rs in Lacs	M.T	Nos	Rs in Lacs
Scaffolding	--	--	-	--	--	--
Storage System	--	--	-	--	--	--
Sugar Hoppers	--	16	127.47	--	23	140.41
Sugar Graders	--	2	34.45	--	1	13.60
Sugar Elevators	--	2	18.69	--	2	19.42
Pumps	--	3	3.55	--	8	12.88
Weighing & Bagging Machines	--	--	-	--	1	4.50
Others (including Spares & Scrap)	--	--	65.27	--	--	89.43
Erection & Commissioning	--	--	2.14	--	--	4.20
Total		--	251.57		--	284.44

* Inclusive of Excise duty & Service Tax Rs **24.30 Lacs** (Previous year Rs.21.26 lacs)

g) FOB Value of Exports:

Rs. In Lacs

Particulars	2010-2011	2009-2010
Sales	--	10.53

h) Expenditure in Foreign Currencies:

Rs. In Lacs

Descriptions	2010-2011	2009-2010
Traveling Expenses	4.75	--

9. The disclosure required under AS – 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

A. General description:

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:

Particulars	Rs in lacs	
	2010 – 2011	2009 – 2010
Employer's Contribution to Provident Fund	4.30	3.12
Employer's Contribution to Superannuation Fund	---	---

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.

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2010-11	2009-10	2010-11	2009-10
a) Reconciliation of Opening and Closing balances of Defined Benefit obligation				
Defined Benefit obligation at beginning of the year	1.55	1.26	0.17	0.36
Interest Cost	0.12	0.11	0.01	0.04
Current Service Cost	0.26	0.27	0.15	0.17
Actuarial (gain)/loss	(0.72)	(0.09)	(0.21)	(0.41)
Benefits paid	--	--	--	--
Defined Benefit obligation at year end	1.21	1.55	0.12	0.16
b) Reconciliation of Opening and Closing balances of Fair value of plan assets				
Defined Benefit obligation at beginning of the year	1.41	1.29	N.A	N.A
Expected return on the plan assets	0.11	0.10	N.A	N.A
Contributions Paid	--	--	N.A	N.A
Actuarial gain/(loss)	0.02	0.01	N.A	N.A
Benefits paid	--	--	N.A	N.A
Fair value of plan assets at year end	1.54	1.41	N.A	N.A
Actual return on plan assets	0.12	0.11	N.A	N.A
c) Reconciliation of fair value of assets and obligation.				
Fair value of plan assets as at 31st March, 2011	1.54	1.41	NIL	NIL
Present value of obligation as at 31st March, 2011	1.21	1.55	0.12	0.16
Amount recognized in Balance sheet	(0.33)	0.14	0.12	0.16
d) Expenses recognized during the year.				
Current Service Costs	0.26	0.27	0.15	0.17
Interest Cost	0.12	0.12	0.01	0.04
Expected return on plan assets	(0.11)	(0.10)	NIL	NIL
Actuarial (gain)/loss	(0.72)	(0.10)	(0.21)	(0.41)
Net Cost	(0.45)	0.19	(0.05)	(0.19)

e) Investment Details:

% invested As at 31st March 2011

L.I.C Group Gratuity (Cash Accumulation Policy)

100%

100%

f) Actuarial assumptions:

	Gratuity (Funded)	Leave Encashment (Unfunded)
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%

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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.

10. Pursuant to the Accounting Standard (AS 29) – Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in accounts for the year ended 31st March 2011 is as Follows.

Liability for Warranties

Particulars	(Rs. In Lacs)
Opening Balance	2.07
Additions	-
Utilisation	0.39
Reversals	-
Closing Balance	1.68

11. Previous Year's figures have been regrouped, wherever necessary, to make them comparable with the figures for the Current Year.

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
25-Jul-2011

For and on behalf of the Board of Directors

H. B. Doshi
Chairman

N. H. Doshi
Director

V. M. Bhat
Director

A. S. Ashtekar
Director

Mumbai
25-Jul-2011

Acrow India Ltd.

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details :

Registration No.

1 1 6 0 1

State Code : 1 1

Balance Sheet Date

3 1 0 3 2 0 1 1

II. Capital revised during the year :

Public Issue :

N I L

Rights Issue :

N I L

Bonus Issue :

N I L

Private Placemen t

N I L

III. Position of Mobilization and Deployment of Funds (Amount in Rs '000)

Total Liabilities :

1 2 0 6 5 7

Total Assets :

1 2 0 6 5 7

Sources of Funds:

Paid up Capital :

6 4 0 0

Reserves & Surplus :

8 5 4 0 7

Secured Loans :

1 6 9 5

Unsecured Loans :

1 4 6 9 2

Deferred Tax Liability (Net)

1 2 4 6 3

Application of Funds:

Net Fixed Assets :

4 8 6 0 1

Investments :

1 1 0 3 9

Net Current Assets :

6 1 0 1 7

IV. Performance of Company :

Turnover

2 2 7 2 7

Profit Before Tax

6 2 7

Other Income

5 5 0 8

Profit After Tax

5 9 7

Total Expenditure

2 7 9 7 8

Earning Per Share *

0 . 9 3

* Absolute

V. Generic Names of Principal Products of Company (as per monetary terms)

(A) Item Code No.:

7 3 0 8 . 9 0

Product Description:

S T O R A G E
S T R U C T U R E

(B) Item Code No.:

8 4 7 9 . 1 9

Product Description:

S U G A R
H O P P E R S

(B) Item Code No.:

8 4 7 9 . 1 9

Product Description:

S U G A R
G R A D E R S

For and on behalf of the Board of Directors

H.B. Doshi
Chairman

N. H. Doshi
Director

V. M. Bhat
Director

A. S. Ashtekar
Director

Place : Mumbai
Date : 25-Jul-2011

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Cash Flow statement for the Year ended 31st March, 2011

	Year Ended 31-Mar-2011	Year Ended 31-Mar-2010	Rs in Lacs
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax	6.27		25.45
<u>Adjustments for :</u>			
Depreciation	29.87		32.29
Interest paid	0.51		0.24
Provision for Dimunation in Investments	-		0.07
Dividend Received	-4.63		-2.57
Interest Received	-34.53		-37.55
Loss / (Profit) on sale of Assets / Investments	-0.21		-3.86
	-8.99		-11.38
Operating profit before working capital changes	-2.72		14.07
<u>Adjustments for :</u>			
Trade and Other Receivables	-5.14		36.18
Inventories	9.66		33.89
Trade Payable and Deposits	-0.11	4.41	-31.18
			38.89
Cash generated from operations	1.69		52.96
Direct Taxes (Paid) / Received	-15.23		-13.05
Net Cash from Operating Activities	-13.54		39.91
B CASH FROM INVESTMENT ACTIVITIES :			
Sale / (Purchase) of Fixed Assets	-		11.81
Dividend Received	4.63		2.57
Interest Received	25.74		33.11
Inter Corporate Deposits (Placed) / Received back	-80.00		-
Investment (made) / sold	-38.78		48.35
Net Cash from Investment Activities	-88.41		95.84
C CASH FLOW FROM FINANCING ACTIVITIES :			
Increase / (Decrease) in Finance Liabilities	-		-0.67
Incremental Working Capital Borrowings / (Repayments)	16.95		-19.81
Interest Paid	-0.51		-0.24
Dividend Paid	-31.29		-21.90
Net Cash from Financing Activities	-14.85		-42.62
Net Increase / (Decrease) in Cash & Cash equivalentant (A+B+C)	-116.80		93.13
Cash & Cash equivalentant			
Opening Balance	431.76		338.63
Closing Balance	314.96		431.76

As per our report of even date

For V. SANKAR AIYAR & Co
Chartered Accountants
Firm Registration No. 109208W

For and on behalf of the Board of Directors

H. B. Doshi
Chairman

N. H. Doshi
Director

Arvind Mohan
Partner
Membership No.124082
Place Mumbai
Date 25-Jul-2011

V. M. Bhat
Director

A. S. Ashtekar
Director

Place : Mumbai
Date : 25-Jul-2011

ACROW INDIA LIMITED

Regd.office: Plot Nos.2&3, At & Post Ravalgaon, Taluka Malegaon,
Dist.Nasik, Maharashtra 423 108

ATTENDANCE SLIP

51st ANNUAL GENERAL MEETING ON THURSDAY, 29TH SEPTEMBER 2011

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 51st ANNUAL GENERAL MEETING of the Company held at Krida Mandal Hall,Ravalgaon 423108, Taluka Malegaon, Dist. Nasik, Maharashtra on Thursday , 29th September, 2011 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 Nos.2&3, At & Post Ravalgaon, Taluka Malegaon,
Dist.Nasik, Maharashtra 423108

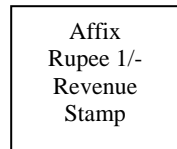
FORM OF PROXY

I/ We
ofin the district of
being a member / 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 51st ANNUAL GENERAL MEETING of the Company to be held on Thursday , 29th September,2011 at 9.30 a.m..and at any adjournment thereof.

Signed this.....day of.....2011.

Signature.....



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 be a member of the Company.