



ANNUAL REPORT

OF

GARODIA CHEMICALS LIMITED

FOR THE YEAR

2012-2013

NOTICE

NOTICE IS HEREBY GIVEN THAT ANNUAL GENERAL MEETING OF THE MEMBERS OF GARODIA CHEMICALS LIMITED WILL BE HELD ON MONDAY, 30TH SEPTEMBER 2013 AT 11:00 A.M AT 149/156, GARODIA SHOPPING CENTRE, GARODIA NAGAR, GHATKOPAR (EAST), MUMBAI - 400077 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013, the Profit and Loss Account for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kunal Nalin Naik, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit to pass with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT M/s M.K.MEHTA & CO, Chartered Accountants, be and is hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as fixed by the Board of Directors of the Company”

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETINGS IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ONLY, INSTEAD OF HIMSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
2. Members/proxies should bring duly attendance slip sent herewith to attend the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 26th September, 2013 to Monday, 30th September, 2013 (both days inclusive).

4. Members holding shares in physical form are requested to notify the change, if any, in their address and blank mandate details to the Registrar and Share Transfer Agent, Link Intime India Pvt Ltd, C-13, Pannalal Silk Mills Compound, Lbs Marg, Bhandup (West), Mumbai - 400078.
5. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
6. Members seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.

Date: 31st August 2013

Place : Mumbai

For and on behalf of the Board of Directors

Sd/-

**Nishant Garodia
Director**

Details of Directors Seeking Re-appointment at the Annual General Meeting

Particulars of Mr. Kunal Naik who is being re-appointed at the AGM	
Date of Birth	20 th January, 1970
Date of Appointment	14 th July, 1994
Qualifications	Diploma in Electronic & Tele-communication
Expertise in specific functional area	Expertise in Electronic & Tele-communication field
Other Directorships	Beehive Education Private Limited
Memberships/Chairmanships of Committees of other public companies (includes only Audit Committee and Shareholders/Investors Grievance Committee)	No
Number of shares held in the Company	1,100 Shares

DIRECTORS REPORT

The Members of Garodia Chemicals Ltd.

Your Directors have pleasure in presenting their Annual Report along with Audited accounts for the year ended 31st March, 2013.

1. PERFORMANCE:-

PARTICULARS	2012-13	2011-12
Sales & Other Income	0.00	00.00
Less : Expenditure	1,609,205.00	3,314,453.00
Profit/(Loss) Before Extraordinary Items and Tax	(1,609,205.00)	(3,314,453.00)
Less : Extra ordinary items	0.00	(10,513,090.00)
Less : Provision for Taxation	0.00	0.00
Add/Less : Deferred Tax Liabilities	0.00	0.00
Loss for the year	(1,609,205.00)	(13,827,543.00)

2. DIVIDEND:

In view of losses, your Directors do not recommend any dividend.

3. PERFORMANCE DURING THE CURRENT YEAR:

In view of heavy losses accrued over the years & the Company's activities have come to a stand still.

4. DEPOSIT FROM PUBLIC:

The Company has not accepted any deposits from the members of the public as defined in section 58A of the Company's Act 1956.

5. PARTICULARS OF EMPLOYEES:

Provisions of section 217 (2A) of the Companies Act 1956 read with companies (Particulars of Employees) Rules 1975 are not attracted in respect of any employees of the Company.

6. COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:

Companies (Disclosure of Particulars In The Report Of Board Of Directors) Rules, 1988 has been attached as an Addendum to Directors Report.

7. FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no Foreign Currency earning & expenditure during the year.

8. DIRECTORS RESPONSIBILITY STATEMENT:

The Directors hereby confirm that:

1) In preparation of annual accounts, applicable Accounting Standards had been followed with proper explanation relating to material departures

2) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;

3) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

4) That the directors had prepared the annual accounts on a going concern basis.

9. Material Changes:

The Company has established demat connectivity with Central Depository Securities (India) Limited (CDSL) and the Company has been allotted with ISIN - INE236PO1010.

10. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis forms part of the Directors' Report is annexed hereto.

11. DIRECTORS:

There is no change in Board of Directors of Company. Pursuant to section 256 of the Companies Act, 1956 Mr. Kunal Naik who retire by rotation and being eligible for reappointment, offer himself for reappointment at the ensuing Annual General Meeting.

The above appointments/re-appointments forms part of the notice convening Annual General Meeting. The profile of these Directors as required under Clause 49 of the Listing Agreement entered with the Stock Exchange(s), are given in the notice convening Annual General Meeting.

12. AUDITORS:

M/s. M. K. MEHTA & CO., Chartered Accountants retire at the conclusion of the Ensuing General Meeting, are eligible for the re-appointment. You are requested to appoint the Auditors & fix their remuneration.

11. ACKNOWLEDGEMENT:

The Directors take this opportunity to thank shareholders, bankers and auditors for their support & co- operation to the Company. The directors wish to place on record their appreciation for dedication of employees of Company.

For and On Behalf of Board of Directors

SD/-

SD/-

Mahesh Garodia Nishant Garodia
Director Director

Date: 29th May 2013

Place: Mumbai

Annexure to Director's Report

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

Form A – Form for Disclosure of Particulars with respect to Conservation of Energy

A. Power & Fuel Consumption

1.	Electricity:	31.03.2013	31.03.2012
	a) Purchased Units		
	Unit	NA	NA
	Total Amount	NA	NA
	Rate / unit	NA	NA
	b) Own generation –		
	(i) <i>Through Diesel Generator</i>	NA	NA
	Unit	NA	NA
	Units per ltr of diesel oil	NA	NA
	Rate/ unit	NA	NA
	(ii) <i>Through Steam turbine/generator</i>		
	Units	NA	NA
	Units per ltr of fuel oil/gas	NA	NA
	Cost/ units		
2.	Coal (specify quality and where used)		
	Quantity (tonnes)	NA	NA
	Total cost	NA	NA
	Average rate	NA	NA
3.	Furnace oil		
	Quantity (k. ltrs.)	NA	NA
	Total cost	NA	NA
	Average rate	NA	NA

4. Others/internal generation (please give details)		
Quantity	NA	NA
Total cost	NA	NA
Rate/unit	NA	NA
B. Consumption per unit of production (Standards if any)	31.03.2013	31.03.2012
	1	2
Products (with details) unit	NA	NA
Electricity	NA	NA
Furnace oil	NA	NA
Coal (specify quality)	NA	NA
Others (specify)	NA	NA

Form B : Form for disclosure of particulars with respect to absorption

31.03.2013 31.03.2012

Research & development (R & D)

*The Company has not
carried out any
Research and Developmen in
2011-12 and 2012-13,
Hence this Section is Not
Applicable*

1. Specific areas in which R & D carried out by the Company:

2. Benefits derived as a result of the R & D:

3. Future plan of Action

4. Expenditure on R & D:

a) Capital

b) Recurring

c) Total

d) Total R & D Expenditure as a percentage of Total turnover

NA

Technology, absorption, adaption and innovation

1. Efforts, in brief, made towards technology absorption,
adaptation and innovation.

NA

2. Benefits derived as a result of the above efforts,
e.g., product improvement, cost reduction, product development,

import substitution, etc.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :

(a) Technology imported.

(b) Year of import.

(c) Has technology been fully absorbed

(d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.

NA

C. Foreign Exchange Earnings & Outgo

31.03.2013

31.03.2012

1. Foreign Exchange Earnings

Nil

Nil

2. Foreign Exchange Outgo

Nil

Nil

3. Activities relating to exports; initiatives taken to increase exports

Nil

Nil

4. Development of new markets for products & services & export plans

Nil

Nil

For and On Behalf of Board of Directors

SD/-

SD/-

**Mahesh Garodia
Director**

**Nishant Garodia
Director**

Addendum to Directors Report:

Dear Members,

With Reference to the captioned subject matter, Please find below the Clarifications to the qualifications mentioned in the Auditors' Report.

- 1) Point 6.1, 6.2 & 6.3 in Auditors Report: Non - provision of Interest expenses on loans and borrowings taken from IDBI (now taken over by Aaskha Holdings Pvt Ltd) and Central Bank of India (now taken over by Phoenix Arc Pvt. Ltd.):**

Clarification: In view of the heavy accumulated losses and suspension of the manufacturing activities for long time due to hefty competition from global markets, the Company has defaulted in the interest payments. However the Company is seeking options to revive its operations and to make it globally competitive

- 2) Point (i) (a),(b) & (c) in Annexure to Auditors' Report: Maintenance of proper records showing full particulars including qualitative details and situation of Fixed Assets:**

Clarification: The documents got misplaced due to unforeseen reasons. However the Company has taken efforts for receiving Duplicate documents.

- 3) Outstanding payments to Financial Institutions / Banks as on 31st March, 2013:**

Clarification: The Company could not make the payments due to some financial crisis. However, the Company shall arrange to make the payments at the earliest.

For and On Behalf of Board of Directors

SD/-

SD/-

Mahesh Garodia Nishant Garodia
Director Director

Date: 29th May 2013

Place: Mumbai