

9th Annual Report 2002-2003

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GRM OVERSEAS LIMITED



GRM OVERSEAS LIMITED

NINTH ANNUAL GENERAL MEETING

Day : Wednesday
 Date : 10th September, 2003
 Time : 09.30 a.m.
 Venue : **GRM OVERSEAS LTD.,**
 219-A, Rama Market,
 Pitam Pura,
 Delhi - 110 034.

BOARD OF DIRECTORS

Shri Hukum Chand Garg
Chairman cum Mg. Director
 Shri Rohit Garg (Whole-time Director)
 Shri Udit Rai Kapoor
 Shri Raj Kumar
 Shri Chetan Kapoor

COMPANY SECRETARY

Ms. Preeti Chitra

BANKERS

State Bank of India
 G.T. Road,
 Panipat

AUDITORS

Shashi Chadha & Co.
 Chartered Accountants
 579-A, Model Town,
 Panipat - 132 103.

REGD. OFFICE

219-A, Rama Market,
 Pitam Pura,
 Delhi - 110 034.

WORKS

GRM Overseas Ltd.,
 Gohana Road,
 Panipat - 132 103 (Haryana).

CONTENTS	PAGE NO.
Notice	2
Directors' Report	5
Auditors' Report	11
Balance Sheet	13
Profit & Loss Account	14
Schedules	15
Balance Sheet Abstract	20
Cash Flow Statement	21



GRM OVERSEA LIMITED

NOTICE

Notice is hereby given that the 9th Annual General Meeting of the Company will be held as under :

Day	:	Wednesday
Date	:	10th September, 2003
Time	:	09.30 A.M.
Venue	:	219-A, Rama Market, Pitam Pura, Delhi - 110 034.

to transact the following businesses :

ORDINARY BUSINESS

1. To consider and adopt the Directors' Report, Auditors' Report and Audited Accounts of the Company for the year ended 31st March, 2003.
2. To appoint a Director in place of Shri Rohit Garg who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Udit Rai Kapoor who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s SHASHI CHADHA & CO., Chartered Accountants, Auditors to hold office from the conclusion of this meeting until the Next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :
"RESOLVED THAT Mr. Chetan Kapoor, who was appointed as Additional Director of the Company by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and that the period of office of the Director shall be liable to determination by retirement by rotation."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :
"RESOLVED THAT Mr. Raj Kumar, who was appointed as Additional Director of the Company by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and that the period of office of the Director shall be liable to determination by retirement by rotation."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :
"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 349, 350 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto and subject to such approvals, if any, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Shri Rohit Garg, as Whole-time Director for a period of 5 years w.e.f. 30th June, 2003 on the terms and conditions as set out in the Explanatory Statement attached to this Notice and hereby approved, with liberty to the Board of Directors to revise the terms as to remunerations, from time to time, in consultation with and or recommendation of the Remuneration Committee, within the limits provided for in the said Schedule XIII or any amendments thereof for the time being in force."
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution** :
"RESOLVED THAT subject to provisions of the Companies Act, 1956, Securities Contracts Regulation Act, 1956, Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, framed and or issued thereunder, Listing Agreements and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and modifications as may be prescribed or imposed by any while granting such approvals, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the Board), which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on this Board, be and is hereby authorised to agree to if acceptable to the Board to delist the Equity Shares of the Company from the Stock Exchange at Ahmedabad, Jaipur, Madras and Delhi."

By Order of the Board
Sd/-

(H.C. GARG)

Chairman-cum-Mg. Director

Place : New Delhi
Date : June 30, 2003



GRM OVERSEAS LIMITED

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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 09th September, 2003 to 10th September, 2003 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report to the Annual General Meeting.
4. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
5. Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of item nos. 5, 6, 7 & 8 is annexed hereto.

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT :**
ITEM NO. 5 & 6

Mr. Chetan Kapoor and Mr. Raj Kumar, were appointed as Additional Directors during the year with a view to broaden the Board and to comply with the provisions of Section 292A of the Companies Act, 1956 relating to Audit Committee and to fully comply with listing requirement regarding Corporate Governance. Your Company has received notice under Section 257 of the Companies Act, 1956 from a Member proposing the Appointment of Mr. Chetan Kapoor and Mr. Raj Kumar.

The brief Bio-Data of these Directors has been given under the report on Corporate Governance annexed to Directors' Report.

None of the Director other than Mr. Chetan Kapoor and Mr. Raj Kumar is concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

ITEM NO. 7

Mr. Rohit Garg, being an existing Director of the Company has been appointed as Whole-time Director of the Company for a period of 5 (Five) years w.e.f. 30th June, 2003.

Mr. Rohit Garg has vast experience relating to rice industry and he is capable of handling his responsibilities very efficiently. Keeping in view his expertise in the field the Board of Directors has recommended his appointment as Whole-time Director of the Company. The terms and conditions of appointment of Mr. Rohit Garg are as under :

1. Period : Period of Appointment is 5 (Five) years with effect from 30th June, 2003.
2. Present Salary : Rs. 12,000/- p.m. including Dearness and all other Allowances.
3. In addition to Salary the following perquisite will be provided as per the Rules of the Company.
 - (i) Housing : The expenditure by the Company on hiring furnished accommodation for the Whole-time Director will be subject to the following ceiling : 60% of the Salary, over and above 10% payable by the Whole-time Director.
 - (ii) Medical reimbursement : Re-imbursement of actual expenses incurred for self and family subject to the ceiling of one month salary in a year or three months salary over a period of three years.
 - (iii) Leave Travel Concession : Leave Travel expenses for self and family once in a year incurred to and from any place in India in accordance with rules of the Company.
 - (iv) Club Fee : Reimbursement of fees of not more than two clubs. This will not include admission and life Membership Fees.
 - (v) Personal Accident Insurance : Personal Accident Insurance cover as applicable in line with the rules and the Company.

In addition to above he shall also be entitled to following Perquisites :

- (a) Contribution to Provident Fund, Superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity at a rate not exceeding half a month salary for each completed year of service.
- (c) Encashment of Leave at the end of the tenure.
- (d) Car with Driver as per the rules of the Company.
- (e) Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company.



The Company stands to gain considerably by the appointment of Mr. Rohit Garg as Whole-time Director of the Company in view of his experience and expertise and in the circumstances the Directors recommend the resolution set out in this Item No. 7 of the accompanying Notice for your approval.

Mr. Rohit Garg and Mr. H.C. Garg is deemed to be interested in the resolution as they are relatives to each other and Mr. Rohit Garg is further interested in the resolution as it relates to his appointment.

ITEM NO. 8

Equity shares of your Company are presently listed on five Stock Exchanges namely The Stock Exchange, Ahmedabad, The Stock Exchange Mumbai, Jaipur Stock Exchange Ltd., Madras Stock Exchange Ltd. and The Delhi Stock Exchange Association Ltd.

Your Directors are of the view that no purpose is being served by having the Equity Shares of the Company listed on The Stock Exchange, Ahmedabad, Jaipur Stock Exchange Ltd., Madras Stock Exchange Ltd. and The Delhi Stock Exchange Association Ltd. and thereof propose that they are delisted from said Stock Exchanges. By this while trading in Equity Shares will not be affected in any way as the Stock Exchange Mumbai has nation wide terminals, your Company will save Listing Fees being paid every year to said Stock Exchanges.

Resolution proposed is meant for aforesaid purpose and your Directors recommended passing of the same.

None of the Directors, save and except to the extent equity shares of the company are held by them, is concerned or interested in passing of proposed resolution.

Place : New Delhi
Date : June 30th, 2003

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By order of the Board
Sd/-
(H.C. GARG)
Chairman-cum-Mg. Director



GRM OVERSEAS LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have great pleasure in presenting the 9th Annual Report of the Company along with the Audited Accounts for the year ended 31st March, 2003.

FINANCIAL RESULTS	(RS. IN LAKHS)	
	CURRENT YEAR (2002-2003)	PREVIOUS YEAR (2001-2002)
Profit before Depreciation & Finance Charges	229.66	239.93
Less : Finance Charges	117.67	142.36
Depreciation	35.80	31.90
Net Profit after Depreciation & Finance Charges	76.19	65.13
Income Tax	9.92	4.11
APPROPRIATIONS		
Transferred to General Reserve	66.27	61.02

DIVIDEND

In view of the need to conserve the resources for further expansion, your directors regret their inability to recommend any Dividend.

CURRENT YEAR WORKING

Your Directors hereby inform you that in the Current Year the Company would further accelerate its pace of growth and would make all efforts to further improve its performance.

DISCLOSURE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Equity Shares of the Company are listed at Ahmedabad, Mumbai, Madras, Delhi & Jaipur Stock Exchanges. The Annual Listing Fees has already being paid to all of these Stock Exchange.

DELISTING OF EQUITY SHARES

Your Directors propose to have partial De-listing of Equity Shares from Ahmedabad, Jaipur, Madras and Delhi Stock Exchange as per the recently notified SEBI Guidelines on Delisting of Securities and after this partial Delisting the Company's Shares will remain listed on The Stock Exchange, Mumbai having a nationwide terminals.

DIRECTORS

Shri Rohit Garg and Shri Udit Rai Kapoor, Directors of the Company, retire by rotation at the ensuing Annual General Meeting & being eligible offers themselves for re-appointment.

Shri Rohit Garg being an existing Director of the Company and has been associated since inception of the Company was appointed as whole time Director by the Board of Directors subject to the approval of the shareholders of the Company. The Board of Directors recommends his appointment as Whole Time Director of the Company.

Shri Chetan Kapoor and Shri Raj Kumar, were appointed as Additional Directors during the year and hold office upto the forthcoming Annual General Meeting. Your company has received notice u/s 257 of the Companies Act, 1956 proposing them for the office of Director to be elected by the members in the ensuing A.G.M. The proposal regarding their appointment as Director is placed for your approval.

During the year under review, Shri D.P. Gupta resigned from the Directorship of the Company. The Board appreciated his efforts during his tenure as a Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors give hereunder the Directors' Responsibility Statement relating to the accounts of the Company ;

- All the applicable Accounting Standards have been followed in the preparation of the accompanying Accounts ;
- The Directors have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year on March 31, 2003 and of the Profit and Loss of the company for the said period ;
- The Directors have taken proper and sufficient care 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 ; and
- The Directors have prepared the Annual Accounts on a going concern basis.