

16TH
ANNUAL REPORT
2009 - 2010



GRM OVERSEAS LIMITED



**16TH ANNUAL
GENERAL MEETING**

Day : Thursday
Date : 30th September, 2010
Time : 9.30 A.M.
Venue : **GRM OVERSEAS LIMITED**
219-A, Rama Market,
Pitampura, Delhi -110034

BOARD OF DIRECTORS

Shri H. C. Garg

Chairman-cum-Mg. Director

Shri Rohit Garg

(Whole-time Director)

Shri Chetan Kapoor

Director

Shri Vikram Malik

Director

BANKERS

State Bank of India
Special Commercial Branch
G.T. Road, Panipat (Haryana)

AUDITORS

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

REGISTERED OFFICE

GRM OVERSEAS LIMITED

219-A, Rama Market,
Pitampura,
Delhi – 110 034.

WORKS

GRM OVERSEAS LIMITED

Gohana Road, Near Sugar Mill,
Panipat – 132 103 (Haryana)

REGISTRAR & SHARE TRANSFER AGENTS

ABHIPRA CAPITAL LTD.

BM - 1, Abhipra Complex,
Dilkhush Inds. Estate,
A-387, G. T. Karnal Road,
Azadpur, Delhi - 110 033

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**NOTICE**

Notice is hereby given that the 16th Annual General Meeting of the Company will be held as under:

Day : **Thursday**
Date : **30th September, 2010**
Time : **9:30 A.M.**
Venue : **219-A, Rama Market, Pitampura,
Delhi – 110 034.**

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2010, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares for the financial year ended March 31, 2010.
3. To appoint a Director in place of Shri Rohit Garg who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s SHASHI CHADHA & CO., Chartered Accountants, Statutory Auditors to hold office from the conclusion of this meeting until the Next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

By Order of the Board

Place : New Delhi
Date : August 9, 2010

ROHIT GARG
Whole-time Director

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 Thursday, September 23, 2010 to Thursday, September 30, 2010(both days inclusive). Dividend, if declared at the AGM shall be payable to those Members whose name will appear on Register of Members of the Company and/or the Register of beneficial owners maintained by the depositories (National Securities Depositories Limited and Central Depositories Services (India) Ltd.) as at the close of business hours on Thursday, September 23, 2010.
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. Information pursuant to Clause 49 of the Listing Agreement(s) pertaining to Shri Rohit Garg proposed to be re-appointed vide item No. 3of the Notice is as follows:

Date of Birth	Date of Appointment	Qualification	Expertise in specific functional area	Directorship held in other Public Companies*	Membership/ Chairmanship of Committees**	No. of Equity Shares held in the Company	Relationship with other directors
01.07.1972	30.06.2003	B.Com.	Please refer Corporate Governance Report 2009-10	Nil	Nil	10,90,000	Son-Father, relation with Shri H.C. Garg

*excluding Foreign & Private Limited Companies.

**Includes only Audit and Shareholders/Investor Grievance Committee

**DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors have great pleasure in presenting the 16th Annual Report of the Company along with the Audited Accounts for the year ended 31st March 2010.

	(Rs. /Lacs)	
FINANCIAL RESULTS	CURRENT YEAR (2009-2010)	PREVIOUS YEAR (2008-2009)
Profit before Depreciation & Finance Charges	1,013.09	896.94
Less : Finance Charges	345.06	334.93
Depreciation	105.80	58.14
Net Profit after Depreciation & Finance Charges	562.23	503.87
Provision for Income Tax, Deferred Tax and Dividend Tax	207.04	189.73
APPROPRIATIONS		
Transferred to Profit & Loss Account	281.39	240.35
Provision for Dividend	73.79	73.79

DIVIDEND

Your Directors' are pleased to recommend Dividend @20% (i.e. Rs.2/- per Equity Share) for the financial year ended on 31st March 2010, to all those shareholders whose name appears in the register of members of the Company as on Record Date fixed in this regard.

CURRENT YEAR WORKING

Your Directors hereby inform you that in the current year the overall performance of the company has been improved substantially and in the current year also all efforts shall be made to further accelerate its' pace of growth and overall performance.

DISCLOSURE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Equity Shares of the company are listed at the Bombay Stock Exchange Ltd.(BSE). The Annual Listing Fees has already been paid to BSE.

DIRECTORS

In accordance with the Articles of Association of the Company and the provisions of the Companies Act, 1956, Mr. Rohit Garg, Director of the Company, retire by rotation at the ensuing Annual General Meeting & being eligible offers himself for re-appointment and the Board recommends his re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. all the applicable accounting standards have been followed in the preparation of the accompanying accounts and that there are no material departures;
2. they have 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 on March 31, 2010 and of the Profit of the Company for the said period;
3. they have taken proper and sufficient care for the maintenance of the 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
4. they have prepared the Annual Accounts on a going concern basis.

**AUDITORS**

The Auditors M/S SHASHI CHADHA & CO., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

PUBLIC DEPOSITS

During the period under review, your company has not accepted any Fixed Deposit from the Public within the meaning of section 58(A) of the Companies Act, 1956.

COMPLIANCE CERTIFICATE

The Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001 is annexed hereto and forms part of this Report.

PARTICULARS OF EMPLOYEES

None of the employees of your company is covered under section 217(2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975 as amended.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 217(1)(e) of the Companies Act, 1956 read with companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, is annexed and forms part of this report.

MANAGEMENT DISCUSSION ANALYSIS & CORPORATE GOVERNANCE REPORT

In terms of the Listing Agreement, Separate detailed chapters on Management Discussion and Analysis Report and a report on Corporate Governance along with the Auditor's Certificate are annexed and forms part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the assistance received from the Company's Banker viz; State Bank of India for its continuous co-operation & support. Your Directors are pleased to place on record their deep appreciation, for the co-operation & support received from its valued customers, foreign buyers and also the hard, sincere and devoted efforts being made by executives, staff and workers at all levels of the company.

By Order of the Board

Place : New Delhi
Date : August 9, 2010

H. C. GARG
Chairman cum Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT**

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2010.

(I) Conservation of Energy

Regular preventive maintenance of all Plant & Machinery is carried out to enhance productivity and efficiency of Machineries resulting in considerable power saving.

	CURRENT YEAR 2009-2010	PREVIOUS YEAR 2008-2009
A. POWER AND FUEL CONSUMPTION		
a) Purchased Units	4760833.00	3931059.00
Total Amount (Rs.)	21725945.00	18110765.00
Rate/Unit (Rs.)	4.56	4.61
b) Own Generation		
Through Diesel Generator		
Units (approx.)	1912390	1304632
Cost of Fuel	16875990.00	11635228.00
Cost/Units (Rs.)	8.82	8.92
B. CONSUMPTION PER UNIT (M.T.) OF PRODUCTION		
Production Unit (M.T.)	37716	27936
Electricity	6673223	5235691

(II) TECHNOLOGY ABSORPTION

Continue to bring improvement in quality & processes.

(III) RESEARCH AND DEVELOPMENT

Specific Areas in which R & D carried out by the Company

None

None

Benefit derived as a result of the above R & D

None

None

Future plan of Action

The Company would take R & D activities to improve quality and reduce cost by increasing cost efficiency at all levels.

(IV) FOREIGN EXCHANGE EARNING AND OUTGO

	CURRENT YEAR 2009-2010	PREVIOUS YEAR 2008-2009
Foreign Exchange Earnings (in Rs.)	2523170634.00	2459535658.00
Foreign Exchange Outgo	6716500.00	30342333.00

By Order of the Board

Place : New Delhi

Date : August 9, 2010

H. C. GARG

Chairman cum Managing Director

**COMPLIANCE CERTIFICATE U/S 383A OF THE COMPANIES ACT, 1956, WHICH FORMS PART OF THE DIRECTORS' REPORT**

Registration No. of the company : L74899DL1995PLC064007

Nominal Capital : Rs.7,00,00,000/- (Rupees Seven Crores Only)

To,

The Members

GRM Overseas Limited

219-A, First Floor, Rama Market

Pitmpura, New Delhi – 110 034.

We, have examined the registers, records, books and papers of **GRM Overseas Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, the listing agreement as executed with the Bombay Stock Exchange (BSE) for the financial year ended on 31st March, 2010. 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 and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all 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 within the meaning of the Act.
4. The Board of Directors duly met 8(Eight) times on June 30, July 30, August 5, October 30, December 10, 2009 and January 29, February 12 and March 15, 2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its register of members and Share Transfer Books from September 4, 2009 to September 9, 2009 to ascertain the name of the members who are entitled for dividend on Equity Shares. Adequate notice was published in the Newspaper as per the requirement of the Act and intimation was also sent to BSE.
6. The annual general meeting for the financial year ended on 31.03.2009 was held on September 9, 2009 after giving notice to all the shareholders of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary general meetings were held during the period under scrutiny.
8. The company has not advanced any loans or given guarantees to its directors or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contract falling within the purview of section 297.
10. The company has duly complied with provision of section 301 in regard to general disclosure u/s 299 and contracts entered there under.
11. As there was one instance falling within the purview of section 314 of the Act, the company has obtained the approvals from the Board of Director, members by passing a Special Resolution and has completed the requisite formalities.
12. The company has not issued duplicate share certificates during the financial year.
13. (i) The company has not allotted any equity shares during the year under review and has received equity shares for transfer/transmission. The Share Certificate after transfer/transmission was sent to the investor in-time.
(ii) The company has deposited amount in a separate bank account for the dividend declared during the year.
(iii) The company has posted Demand Draft/Pay Orders/Cheques/Warrants to the members of the company for the dividend declared during the financial year.



- (iv) The Company was not required to transfer any amount to Investor Education and Protection Fund during the year.
- (v) 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 and no appointment of directors has been made during the financial year.
15. The company has made re-appointment of Managing Director during the financial year for which the requisite formalities were completed in time.
16. The company has not appointed any sole selling agents during the financial year.
17. The company has obtained approvals from the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under various provisions of the Act, wherever required.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act.
19. The company has not issued any equity share during the financial year under review.
20. The company has not bought back any shares during the financial year ended 31.3.2010.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, right shares bonus shares pending registration of transfer of shares.
23. The company has not invited/ accepted any deposits including any unsecured loans falling within the purview of section 58A during the Financial Year.
24. The company has not made any borrowings during the financial year, except for the Working Capital Limits as sanctioned by Scheduled Bank(s).
25. The Company being a Public Limited Company but has not made any transaction for which Section 372A of the Act becomes attracted.
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 increased its Authorised Share Capital.
30. The company has not altered its articles of association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company for any offences under the Act and no fines or penalties or any other punishment was imposed on the company during the financial year.
32. The company has not received any money as security from its employees during the year under certification.
33. The provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 are applicable to the Company and the provisions of this act are complied.

for **S. C. SINGHAL & ASSOCIATES**
Company Secretaries

Sd/-
S. C. SINGHAL
Prop.
C.P. No, 6981

Place : New Delhi
Dated : August 9, 2010