

29th ANNUAL REPORT 2013-14



GOVIND RUBBER LIMITED



Wheel of progress



LORD GANESH TEMPLE AT LUDHIANA PLANT

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REGISTERED OFFICE :

418, Creative Indl. Estate
72, N.M.Joshi Marg
Lower Parel
Mumbai- 400 011

WORKS :

- a) V.P.O. Jugiana,
G.T.Road, Ludhiana,
Punjab – 141 120.
- b) Kanganwal Road,
V.P.O. Jugiana,
G.T.Road, Ludhiana,
Punjab – 141 120.

BOARD OF DIRECTORS :

VINOD PODDAR
Chairman & Managing Director

RAHUL PODDAR
Executive Director

K. M. GARG
Independent Director

S. DORAIRAJAN (till 30th May, 2014)
Independent Director

UMESH LATHI
Whole time Director

SANDEEP JHUNJHUNWALA
Independent Director

AUDITORS :

M/s. JAYANTILAL THAKKAR & CO.
Chartered Accountants

BANKERS :

CENTRAL BANK OF INDIA
STATE BANK OF INDIA
BANK OF BARODA
INDIAN OVERSEAS BANK

GOVIND RUBBER LIMITED

Regd. Office: 418, Creative Industrial Estate, N.M.Joshi Marg, Lower Parel, Mumbai – 400 011
Corporate Identity Number (CIN): L25110MH1985PLC036320
Tel: 022-30083800-02. Fax: 022-23092296. Email id: info@grltires.com Website: www.grltires.com

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of Govind Rubber Limited will be held on Tuesday, the 19th August, 2014, at 11.00 a.m. at Nehru Centre, Hall of Harmony, Dr. Annie Besant Road, Worli, Mumbai – 400 018 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Rahul Vinod Poddar (**DIN 02232117**) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company 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 an **Ordinary Resolution**:

RESOLVED THAT M/s Jayantilal Thakkar & Co. Chartered Accountants (**Firm Registration No104133W**) the retiring auditors of the Company be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Next Annual General Meeting and remuneration be decided by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and Companies (appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri K.M.Garg (DIN 00387515), Director of the Company, whose period of office was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto the

conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019 and not liable to retire by rotation.

5. 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and Companies (appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Sandeep Jhunjhunwala (DIN 00214387), Director of the Company, whose period of office was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive year upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019 and not liable to retire by rotation.

6. To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution.

RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors ("the Board") of the Company to borrow from time to time, any sum or sums of money for the purpose of the Company, upon such terms and conditions as the Board of Directors may in its discretion think fit, notwithstanding that the money or moneys to be borrowed by the Company (Apart from the ordinary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) together with the moneys already borrowed by the Company may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that maximum amount of the moneys so borrowed by the Board and remaining outstanding shall not at any time, exceed ₹250 crore (Rupees Two Hundred Fifty Crores only).

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RESOLVED FURTHER THAT the Board be and is hereby authorized to all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.

7. To consider and, if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution.

RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act' 2013 and companies (Audit & Auditors) Rules 2014 (including any statutory modification (s) or re-enactment thereof , for the time being in force, the cost auditors appointed by the Board of Directors of the Company to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2015 be paid the remuneration as set out in the statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By order of the Board of Directors

Place: Mumbai

VINOD PODDAR

Date : 30th May, 2014 Chairman & Managing Director

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON ONLY AS A PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR OTHER SHAREHOLDER.**
- The Register of Members and the Share Transfer books of the Company will remain closed from 18th August, 2014 to 19th August, 2014 (both days inclusive) for the purpose of Annual General Meeting for the financial year ended 31st March, 2014.
- Members desirous of obtaining any information concerning the Accounts and Operations of the

Company are requested to address their queries to the Compliance officer at the Registered Office of the Company, so as to reach him at least seven days before the date of Meeting.

- Members / Proxies attending the Meeting are requested to bring their Attendance Slip, sent herewith, duly filled in and also their copies of the Annual Report.
- In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- The Company's Shares are listed on BSE Ltd and applicable listing Fees have been paid up to date including Financial Year 2014-15.
- The transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 124 of the Companies Act, 2013, during the current Financial Year is not applicable.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate Resolution/authority, as applicable.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts and the Members holding shares in physical form can submit their PAN details to the Company.
- Details under Clause 49 of the Listing Agreement (amended) with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- Electronic copy of the Notice of the 29th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered

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with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. The members who have not registered their email address, so far are required to register their email address for receiving all communication including Annual Report, notices circular etc, from the Company electronically. The physical copies of the Notice of the 29th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

13. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for financial year 2013-2014 will also be available on the Company's website www.grltires.com for their download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost.
14. All documents referred to in the Notice will be available for inspection at the registered office of the Company during normal business hours on working days up to the date of AGM.
15. Members are requested to kindly notify changes including email address, if any, in their address and write for all correspondence relating to share department; to the Company's Registrar & Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd., (Unit: Govind Rubber Limited) 13-AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai – 400072.
Email: grubber@shareproservices.com

16. PROCEDURE FOR E-VOTING THROUGH ELECTRONIC MEANS

1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e- Voting Services provided by Central Depository Services Limited (CDSL)
2. Shri. Jigarkumar Gandhi, Practicing Company Secretary (Membership No. FCS 7569), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have

access to the e-voting process) in a fair and transparent manner.

3. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

A) In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" **GOVIND RUBBER LIMITED** from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

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Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.
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(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach '**Password Creation**' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant the name of the Company **GOVIND RUBBER LIMITED** on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option **YES** or **NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then enter the **User ID** and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B) In case of members receiving the physical copy:

- a) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- b) The voting period begins on 13th August, 2014 at 10.00 am and ends on 15th August, 2014 at 6.00 pm During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Note on Director's seeking appointment / re-appointment as required under Clause 49 (VI)(A) of the Listing Agreement of Stock Exchange, Mumbai.

- I. Shri Rahul Poddar is the Promoter Director of the Company. He has been looking into all operations of the Company. He is actively involved into Exports and replacement market operations with new development projects. He is qualified as BBA from United Kingdom and has brought with him multiple skills to achieve professionalism into organization.

ANNEXURE TO NOTICE:

Statement pursuant to Section 102(1) of the Companies Act' 2013 for the item Nos. 4 to 8 of the accompanying notice is as under:-

Item No.4 & 5:- Shri K.M Garg and Shri Sandeep Jhunjhunwala are Non-Executive Independent Directors

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whose period of office is liable to be determined by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. The said Directors have held the positions as such for more than 5(five) years. In terms of section 149 and 152 and all other applicable provisions of the Companies Act, 2013 and the rules made there under, Shri K.M Garg and Shri Sandeep Jhunjunwala are now being appointed as Independent and Non-Executive Directors the term of 5 consecutive years upto the conclusion of the 34th Annual General Meeting of the Company in the Calendar year 2019, not liable to retire by rotation.

Shri K.M Garg and Shri Sandeep Jhunjunwala are holding NIL shares of the Company in their name as on 31st March, 2014.

Shri K.M Garg and Shri Sandeep jhunjunwala are not disqualified for being appointed as Director in terms of section 164 of the Act and have given their consent to act as Director.

The Company has received notice in writing from Members along with deposit of requisite amount under section 160 of the act proposing the candidature of each for the office of the Director of the Company.

The Company has also received declaration from Shri K.M Garg and Shri Sandeep jhunjunwala that they meet with the criteria of independence as prescribed both under sub-section (6) of section -149 of the act and under clause 49 of the Listing Agreement.

In the opinion of the Board Shri K.M Garg and Sandeep Jhunjunwala fulfill the condition for appointment as independent Directors as specified in the act and in the listing agreement.

Brief resume of Shri K.M.Garg and Shri Sandeep Jhunjunwala, nature of their expertise in specific functional areas and name of the Companies in which they hold directorships and members ships/ chairmanships of Board/ Committee as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the Draft letter for appointment of Shri K.M Garg and Shri Sandeep Jhunjunwala as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchange.

Shri K.M Garg and Shri Sandeep Jhunjunwala are interested in the resolution with regard to their appointment.

This statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchange.

Item No.6:- The Resolution in terms of provisions of Section 293 (1) (d) of the Companies Act, 1956, in respect of overall borrowings of ₹250 crores has already been approved by the Members in 25th Annual General Meeting of the Company under Ordinary Resolution. Now in terms of provisions of section 180 (1) (c) of the Companies Act, 2013, the Resolution for overall borrowings is required to be passed under Special Resolution. Hence, this resolution is being placed for members' approval.

None of the Directors of the Company is interested in the Resolution No.6.

The Board of Directors recommends the passing of the Special Resolution at item No.6.

Item No.7:- The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ended 31st March, 2015.

In accordance with the provisions of section 148 of the act read with the Company's (audit and auditors) rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No.7 of the Notice for ratification of the remuneration payable to the cost auditors for the financial year ended 31st March, 2015.

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way concerned or interested, financially or otherwise in the resolution set out at item No.7 of the Notice.

The Board commends the Ordinary Resolution set out at item No.7 of the Notice for approval by the Shareholders.

By order of the Board of Directors

Place : Mumbai

VINOD PODDAR

Date : 30th May, 2014 Chairman & Managing Director

Please address all correspondence relating to this matter to:

M/s.Sharepro Services (India) pvt. Ltd.

Unit:- Govind Rubber Limited

13 A-B Samhita Warehousing Complex

2nd Floor, Sakinaka Telephone Exchange Lane

Off Andheri-kurla Road, Sakinaka

Andheri (E), Mumbai – 400 072

Tel : 022-6772 0300/400, Fax : 022-2859 1568

E-mail : grubber@shareproservices.com

Director's Report



DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS

Dear Shareholders,

Your Directors are pleased to present the 29th Annual Report and Audited Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS:

	₹ In Lacs	
	2013-14	2012-13
Sales and Operational Income (Gross)	43566	42942
Other Income	177	107
TOTAL INCOME	43743	43049
Gross Profit	339	494
Depreciation	326	288
Profit before Tax	13	206
Deferred Tax (Asset) / Liability	(16)	48
Tax Expenses	1	2
Profit after Tax	28	156
Balance brought forward	(3013)	(3169)
Balance carried forward to Balance Sheet	(2985)	(3013)

In view of inadequacy of profit, no dividend has been recommended by the Board of Directors for the year 2013-2014.

OPERATIONS :

Your Company has achieved a Gross Turnover and Operational Income of ₹ 43566 lacs as compared to ₹ 42942 lacs in the previous year with marginal growth. The gross profit is ₹ 339 lacs as compared to ₹ 494 lacs in the previous year. The net profit for the year stood at ₹28 lacs as compared to ₹ 156 lacs in the previous year.

OUTLOOK FOR THE CURRENT YEAR 2014-2015:

Your Company is making all its efforts to take the growth in OEM and Export market by intensive working. In order to keep pace with International market, the Company has also invested in modern technology, machines to cater to niche markets. The products of the Company are well accepted in the market due to continuous upgradation in quality parameters. The concern related to plant cost has been addressed by various cost saving measures. Auto tire and tube segment is expanding by acceptance of the product in replacement market.

DIRECTORS:

Shri Rahul Poddar will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Shri S. Dorairajan (DIN No. 00628373) has resigned from the Board of Directors of the Company w.e.f 30.05.2014. The Directors place on record their appreciation for the services rendered by Shri S. Dorairajan (DIN No. 00628373) during the tenure of his Directorship in the Company.

The Company has received declarations from all independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013 and under clause 49 of the listing agreement with Bombay Stock Exchange.

CORPORATE GOVERNANCE:

Your Company is in compliance with the requirements and disclosures with respect to the Code of Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange. As a listed Company, necessary measures are taken to comply with the Listing Agreement with the Stock Exchange. A report on Corporate Governance as stated above along with a certificate from the Auditor form part of this Annual Report as per Annexure- III

FIXED DEPOSITS:

No deposit was accepted during the year and there was no outstanding deposit as on 31st March, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that -

- In the preparation of the annual accounts for the financial year ended 31st March, 2014 the applicable Accounting Standards had been followed and there are no material departures from prescribed accounting standards in the adoption of the accounting standards.
- 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 of the Company for the year under review ;
- The Directors had 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 ;
- The Directors have prepared the accounts for the financial year ended 31st March, 2014 on a "going concern" basis.

Director's Report



AUDITORS AND AUDITORS' REPORT:

M/s. Jayantilal Thakkar & Co., Chartered Accountants, Mumbai, the Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letters from them to the effect that their re-appointment, if made, would be within the prescribed limits under section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Notes on Accounts referred to in the Auditors Report are self explanatory and do not call for any further comments.

COST AUDITORS:

The Company has appointed M/s.K.G.Goyal & Associates as Cost Accountant of the Company to conduct the Audit of Cost records of the Company for the financial year 2014-15.

ADEQUACY OF INTERNAL CONTROLS:

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

The internal control system is designed to ensure that the financial and other records are reliable to prepare financial statements and other data and for maintaining accountability of assets.

PARTICULARS OF EMPLOYEES:

Particular of remuneration paid to the employees as required to be disclosed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees), Rules, 1975 are set out in Annexure- I attached hereto and form part of this report.

SUBSIDIARY COMPANY AND JOINT VENTURE:

1. The information in respect of Subsidiary Company and joint Venture is furnished in Corporate Governance (Annexure-III to the Directors' Report)

ANNUAL REPORTS OF SUBSIDIARIES:

Ministry of Corporate Affairs, Government of India, vide its circular dt.8th February, 2011 has exempted companies from attaching the Annual Reports and other particulars of its subsidiary companies along with the Annual Report of the Company required u/s 212 of the Companies Act, 1956. Therefore, the Annual Reports of the subsidiary company viz GRL BV is not attached with this Annual Report. However, a statement giving certain information as required vide aforesaid circular dt.8th February, 2011 is placed along with the Consolidated Accounts.

The Annual Account of subsidiary company is kept for inspection by the shareholders at the Corporate (Head Office) of the Company.

CONSOLIDATED FINANCIAL STATEMENTS:

As stipulated by Clause 32 of the listing agreement with the Stock Exchange, Mumbai, the consolidated financial statements have been prepared by the Company in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India. The audited consolidated financial statements together with Auditors' Report form part of the Annual Report.

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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is given in the Annexure-II of the report.

FORWARD LOOKING STATEMENTS:

Statements in this report describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements considering the applicable laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand- supply conditions. Finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations. Investors will bear the above in mind.

ACKNOWLEDGEMENT:

The Board of Directors of your company wish to thank and place on record the continued co-operation and assistance extended to it by the Shareholders, Financial Institutions and Banks. Your Directors also wish to place on record their warm appreciation for the services rendered by the Executives, Staff, Workers, vendors and Customers of the Company.

For and on behalf of the Board of Directors

VINOD PODDAR
Chairman & Managing Director

Place: Mumbai
Dated: 30th May, 2014

ANNEXURE - I TO DIRECTORS' REPORT

STATEMENT OF PARTICULARS UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES PARTICULARS OF EMPLOYEES) RULES, 1975 FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014.

Sr. No.	Name of Employee	Age	Designation	Remuneration	Qualification & Experience In yrs.	Date of Commencement of Employment	Particulars of last Employ Ment held (Name, Designation and Experience)
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A. Employed throughout the year and in receipt of remuneration in aggregate of not less than ₹ 60,00,000/-.

-----NIL-----

B. Employees for part of the year and in receipt of remuneration of not less than ₹ 5,00,000/- per month.

----- NIL -----

For and on behalf of the Board of Director

VINOD PODDAR

Chairman & Managing Director

Place : Mumbai

Place: 30th May, 2014**ANNEXURE- II TO DIRECTORS' REPORT**

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

A. CONSERVATION OF ENERGY:**a) Energy conservation measures taken:**

- I. Rice-husk is being used to reduce consumption of Coal for which special purpose boilers have been installed.
- II. Maximum demand of Electricity is being reduced by evenly distributing the loads throughout the day and increasing efficiency of Plants & Equipments.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.

The use of rice-husk/coal boilers has resulted in an annual savings of about 5150 MT of coal. However, this also depends on quality and cost of rice-husk available.

c) Impact of the measurers at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

-----As per Table A---

d) Total and per unit energy consumption as per form A.**(A) Power & Fuel Consumption :****1) Electricity:****a) Purchased:**

	2013-2014	2012-2013
Units	1,67,43,132	1,68,21,009
Total Amount (₹)	13,84,87,780	12,01,84,895
Rate/Unit (₹)	8.27	7.14

b) Own Generation**i) Through Diesel Generator:**

	2013-2014	2012-2013
Units	3,27,675	4,15,004
Units per liter of diesel	2.61	2.81
Cost/Unit (₹)	19.91	14.64

ii) Through Steam

	2013-2014	2012-2013
Turbine/Generator	Nil	Nil

2) (a) Coal

	2013-2014	2012-2013
Quantity (Kgs.)	12,220	31,299
Amount (₹)	1,71,174	3,91,175
₹/Kg.	14.01	12.50

(b) Rice-Husk

	2013-2014	2012-2013
Quantity (Kgs.)	2,02,46,555	1,68,30,568
Amount (₹)	8,33,39,919	7,51,05,149
₹/Kg.	4.12	4.46