

A full-page background image of a male cyclist in a green and white jersey, wearing a helmet and sunglasses, riding a road bike. The background shows a dramatic sky with dark clouds and a mountain range in the distance. A large red triangle is overlaid on the right side of the image, pointing towards the bottom right.

**INNOVATING TODAY.
TRANSFORMING TOMORROW.**

GOVIND RUBBER LIMITED
ANNUAL REPORT 2016 - 2017



LORD GANESH TEMPLE AT LUDHIANA PLANT

CONTENTS

Notice	1-3
Directors' Report.....	4-29
Auditors' Report.....	30-33
Balance Sheet	34
Statement of Profit & Loss.....	35
Cash Flow Statement	36
Notes on Financial Statements.....	37-49

BOARD OF DIRECTORS

VINOD PODDAR
Executive Chairman

RAHUL PODDAR
Vice-Chairman & Managing Director

UMESH LATHI
Whole time Director & Chief Financial Officer
(Upto 8th July, 2016)

SANJIV RUNGTA
Independent Director

SANDEEP JHUNJHUNWALA
Independent Director

KUMUD MANSETA
Independent Director

SAJJAN BAWRI
Chief Financial Officer
(w.e.f. 10th September, 2016)

KESHAV PUROHIT
Company Secretary

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.

AUDITORS

M/s. JAYANTILAL THAKKAR & CO.
Chartered Accountants

BANKERS

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

Notice



GOVIND RUBBER LIMITED

Regd. Office: 418, Creative Industrial Estate, 72, N.M.Joshi Marg, Lower Parel, Mumbai – 400 011

Corporate Identity Number (CIN): L25110MH1985PLC036320

Tel: 022-3008 3800-02. Fax: 022-2309 2296. Email id: info@grltires.com . Website: www.grltires.com

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of Govind Rubber Limited will be held on Wednesday, the 06th September, 2017 at 11.00 a.m. at Damodar Hall, N. M. Joshi Vidhya Sankul, Dr. B. A. Road, Parel, Mumbai-400012 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year ended on 31st March, 2017 and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint Statutory Auditors of the Company and to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Sections 139 to 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby appoint M/s Songira & Associates, Chartered Accountants, Mumbai, (Firm Registration Number 128085W), in the place of retiring auditor M/s. Jayantilal Thakkar & Co, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be convened in the year 2022 on such remuneration as may be determined by the Board of Directors/Audit Committee in consultation with the Statutory Auditors.”

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.”

SPECIAL BUSINESS:

3. 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 other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s K G Goyal & Associates, Cost Accountants, (Firm Registration Number 00024), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company, be paid a remuneration, for the Financial Year ending March 31, 2018, amounting to ₹ 35,000/- (Rupees Thirty Five Thousand only) plus service tax/GST as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.”

For and on behalf of the Board

VINOD PODDAR
Executive Chairman
DIN: 00182629

Place: Mumbai

Date: 30th May, 2017

NOTES:

1. **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.**
2. The Register of Members and the Share Transfer books of the Company will remain closed from 02.09.2017 to 06.09.2017 (both days inclusive) for the purpose of Annual General Meeting for the financial year ended 31st March, 2017.
3. 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.
4. 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.
5. 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.
6. The Company's Shares are listed on BSE Ltd and applicable listing Fees have been paid up to date including Financial Year 2017-18.
7. 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.
8. 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.
9. 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 or Registrar.

10. Details under SEBI Regulation 25 (LODR), Regulations, 2015 with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is not furnished as no director is being appointed/reappointed at the Annual General Meeting
11. Electronic copy of the Notice of the 32nd 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 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 32nd 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.
12. Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report for financial year 2016-2017 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.
13. 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.
14. 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. LINK INTIME INDIA PVT LTD.(Unit: Govind Rubber Limited) C-101, 247 Park, L.B.S.Marg, Vikhroli (W), Mumbai- 400 083.
Email: rnt.helpdesk@linkintime.co.in

15. PROCEDURE FOR E-VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and SEBI Regulation 44 (LODR), Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the Members attending

the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.

- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 02nd September, 2017 at 9:00 am and ends on 05th September, 2017 at 5:00 pm. During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30.08.2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting then you can use your existing password for casting the vote. If you have forgotten your password, you can reset your password by using "Forget User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free No.: 1800-222-990.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Govind Rubber Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

Notice



- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below at the bottom of the Attendance Slip/Ballot Form for the AGM :
**EVEN (Remote e-voting Event Number) USER ID
PASSWORD/PIN**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30.08.2017.
- X. Any person, who acquires shares of the Company and becomes Member of the Company after 04.08.2017 i.e. the date considered for dispatch of the notice and holding shares as of the cut-off date i.e., may obtain the login ID and password by sending a request at evoting@nsdl.co.in or gnyanesh@linkintimeindia.com.
- XI. A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Prabhat Maheshwari, Partner, GMJ & Associates, Company Secretaries (Membership No. 2405), has been appointed as Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the Meeting and there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. grltires.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchanges where the shares of the Company are listed.

ANNEXURE TO NOTICE:

Statement pursuant to Section 102(1) of the Companies Act, 2013 for the Item Nos. 3 of the accompanying notice is as under:-

Item No.3:- 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' 2018.

In accordance with the provisions of section 148 of the Act read with the Company's (audit and auditors) Rules, 2015 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. 3 of the Notice for ratification of the remuneration payable to the cost auditors for the financial year ended 31st March' 2018.

None of the Directors / Key Managerial Personnel of the Company/ their relatives is, in any way concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Shareholders.

For and on behalf of the Board of Directors

VINOD PODDAR
Executive Chairman
DIN: 00182629

Place: Mumbai
Date: 30th May, 2017

Please address all correspondence relating to this matter to:

M/S. LINK INTIME INDIA PRIVATE LIMITED
Unit:-Govind Rubber Limited
C-101, 247 Park
LBS Marg, Vikhroli (W)
Mumbai – 400 083
Tel: 022-6772 0300/400
Fax: 022-2859 1568
E-mail: rnt.helpdesk@linkintime.co.in

DIRECTORS' REPORT

To
The Members,
Govind Rubber Limited

Your Directors have pleasure in presenting the 32nd Annual Report and Audited Financial Statements of the Company for the year ended 31st March, 2017.

FINANCIAL RESULTS/PERFORMANCE:

Particulars	₹ In Lakhs	
	2016-17	2015-16
Sales and Operational Income (Gross)	21618	33024
Other Income	48	37
TOTAL INCOME	21666	33061
Net Profit/(Loss) before dep. and tax	(941)	345
Depreciation	342	327
Profit before Tax	(1283)	18
Tax Expenses	372	(5)
Profit/(Loss) after Tax	(911)	13
Balance brought forward	(2966)	(2979)
Balance carried forward to Balance Sheet	(3877)	(2966)

REVIEW OF OPERATIONS:

Your Company has achieved a Gross Turnover and Operational Income of ₹21,618 Lakhs as compared to ₹33,024 Lakhs in the previous year. The Net Loss before depreciation and tax is ₹941 Lakhs as compared to Net profits before depreciation and tax of ₹345 Lakhs in the previous year. The Net Loss for the year stood at ₹911 Lakhs as compared to Profit of ₹13 Lakhs in the previous year.

Your Company is undertaking various efforts to increase the revenue and cost rationalization measures to improve bottom-line of the Company.

DIVIDEND AND RESERVES:

As the company has incurred losses for the current financial year, the Board of Directors does not recommend any payment of Dividend for the year under review.

During the year under review, no amount was transferred to General Reserve.

NATURE OF BUSINESS:

During the year, there was no change in the nature of the Business.

SHARE CAPITAL:

The paid up equity share capital as at March 31, 2017 stood at ₹21.84 Crores divided into 2,18,38,463 Equity shares, having face value of ₹10/- each fully paid up. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity shares. As on March, 31 2017 none of the Directors of the company hold instruments convertible into equity shares of the Company.

OUTLOOK:

Your Company is striving hard to come out of adverse financial situation, facing since long. The Company is adopting different strategy to boost its sales and also focusing to reduce the financial cost and concern relating to working capital shortfall and operational cost is addressed by adopting various new techniques and methods to improve overall financial performance. The demand for standard product from overseas buyers is strong and which are always of good margin and therefore your Company is expecting better performance in the current financial year.

AUDITORS AND AUDITORS REPORT:

M/s Jayantilal Thakkar & Co. Chartered Accountants (Firm Registration No. 104133W) were first auditors since incorporation of the company; currently they are holding office of the auditors up to the conclusion of the 32nd AGM.

As per second proviso to Section 139(2) of the Companies Act, 2013, (the Act), a transition period of three years from the commencement of the Act is provided to appoint a new auditor if the existing auditor's firm has completed two terms of five consecutive years.

Accordingly, as per the said requirement of the Act, M/s Songira & Associates, Chartered Accountants (Firm Registration No. 128085W) are proposed to be appointed as auditors for a period of 5 years commencing from the conclusion of 32nd AGM till the conclusion of the 37th AGM, subject to ratification by shareholders every year, as may be applicable, in place of M/s Jayantilal Thakkar & Co. Chartered Accountants.

M/s. Songira & Associates, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Audit Committee and the Board of Directors recommend the appointment of M/s. Songira & Associates, Chartered Accountants, as statutory auditors of the Company from the conclusion of the 32ndAGM till the conclusion of 37thAGM, to the shareholders.

COST AUDITORS:

As per the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2015 the Board of Directors of the Company has appointed M/s. K.G Goyal & Associates as Cost Auditors of the Company to conduct the cost Audit for the financial year 2017-18.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. GMJ & Associates, Company Secretaries to undertake the

Directors' Report



Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure-A. The Secretarial Report contains a qualification with respect to the Composition of the Board

BOARD'S COMMENTS ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS IN THE AUDITORS REPORT:

The Secretarial Report contains a qualification with respect to the Composition of the Board. The Company was looking for suitable candidates for the position of the Independent Directors and eventually Ms. Kumud Manseta and Mr. Sanjiv Rungta were inducted in Board as Independent Directors w.e.f 16th May, 2016.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (MDA):

The Company adheres to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best corporate Governance Practices.

The Corporate Governance and Management & Analysis Report, which form an integral part of this Report, are set out as separate Annexure B & C, together with the Certificate from the Practising Company Secretaries of the Company regarding compliance with the requirements of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015.

JOINT VENTURE:

To mark its global presence and cater the different geographies, the Company has a Joint Venture – GK Company Limited, in South Korea. Due to unavailability of the financial statements of Joint Venture with G K Company Ltd. South Korea, the Company is unable to comment on the same; however non-inclusion will not have any material impact on financial statements of Company.

CONSOLIDATED FINANCIAL STATEMENT:

The Company has not prepared consolidated financial statements due to unavailability of the financial statements of its Joint Venture with GK Company Ltd. - South Korea, for the year under review. However this non-inclusion will not have any material impact on Financial Statements of the company.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 loss of the company for that period;
- (c) 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;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in subsection(6).

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under section 92 of the Companies Act, 2013, is included in this report as Annexure-D

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board made the following appointments/re-appointments based on the recommendations of the Nomination and Remuneration committee:

The Company has appointed Mr. Sanjiv Rungta and Ms. Kumud Manseta as Additional Director (Independent) w.e.f. 16.05.2016 to hold the Office up to conclusion of the 31st Annual General Meeting held on 12.09.2016. The Company in the said Annual General Meeting appointed them as Independent Directors for the terms of 5 consecutive years commencing from the said Annual General Meeting dt. 12.09.2016. Mr. Vinod Poddar was re-designated by the Board as Executive Chairman w.e.f. 16.05.2016

Mr. Yash Rungta and Mrs. Darshika Poddar have resigned w.e.f. 16.05.2016 and 22.04.2016 respectively from the Board of Directors of the Company. Mr. Umesh Lathi, Whole time director & CFO has resigned w.e.f 08.07.2016. The Board places on record its appreciation for the service rendered by them during their tenure with the Company.

Directors' Report



The Company has appointed Mr. Sajjan kumar Bawri as Chief Financial Officer of the Company w.e.f. 10.09.2016.

ANNUAL PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors in their separate Meeting who also reviewed the performance of the Board as whole.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board Structure and Composition, effectiveness of Board process, information and functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board / Committee Meetings and guidance / support to the management outside Board / Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement of all Board Members.

Evaluation of Independent Directors was done by the entire Board.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization program are available on our website (www.grltires.com/investor-relation.html).

NUMBER OF MEETINGS OF THE BOARD:

During the year ended March, 31 2017, Six Board Meetings were held.

The Details of the number of Meetings of the Board held during the Financial Year 2016-17 forms part of the Corporate Governance Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, includes an Ethics & Compliance Task Force comprising senior executives of the Company. The details of the Policy on Vigil Mechanism and Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

NOMINATION AND REMUNERATION POLICY:

The Board of Directors has re-constituted the Nomination and Remuneration Committee on 16.05.2016. The Nomination and Remuneration committee has framed the Nomination and Remuneration Policy and broad parameters are mentioned in Corporate Governance Report section and also available on our website (www.grltires.com/investor-relation.html).

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business and the audit committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the audit committee and the Board of Directors. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee and also before the Board for approval and details of related party transaction is given in Annexure E.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the provisions of section 135 of Companies Act, 2013 the company has constituted the Corporate Social Responsibility Committee (CSR).

The Corporate Social Responsibility (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The Annual report on CSR activities in accordance with the Companies (Corporate Social Responsibility policy) Rules, 2014 is set out as Annexure H forming part of this Report.

COMPOSITION OF AUDIT COMMITTEE AND OTHER DISCLOSURES:

The Composition of the Audit Committee has been given in Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF EMPLOYEES:

Particular of remuneration paid to the employees as required pursuant to Section 197 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are furnished in Annexure G.

Further Rule 5(2) and 5(3) is not given as none of the employees receives remuneration in excess of prescribed limit.

INDIAN ACCOUNTING STANDARDS (IND AS)

The company has adopted Indian Accounting Standards (Ind As) with effect from 1st April, 2017 pursuant to Ministry of Corporate affairs notification of the Companies (Indian Accounting Standards) Rules, 2015.

DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository

Directors' Report



Limited (NSDL) and also the Central Depository Services (India) Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialized form in either of the two Depositories. The Company has been allotted ISIN No. INE011C01015. Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code has been posted on the Company's website www.grltires.com. All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

PUBLIC DEPOSIT:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and there was no outstanding deposit as on 31st March, 2017.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on company's operations in future.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has constituted an Internal Complaint Committee under Section 4 of the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaint was made before the Committee.

ENVIRONMENT AND SAFETY:

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances, environmental regulations and preservation of natural resources at the Plant.

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

Information in terms of requirement of clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, read along with the Companies (Accounts) Rules, 2014 is given in Annexure-F of the report.

LISTING:

The Securities of the Company is listed on the BSE Ltd. Mumbai.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to place on record their warm appreciation and acknowledge with gratitude the assistance, co-operation and support extended to your Company by bankers, clients, employees as well as the investing community and look forward to their continued support.

For and on Behalf of the Board of Directors

Place: Mumbai

Date : 30.05.2017

Vinod Poddar (DIN 00182629)

Executive Chairman

ANNEXURE- A TO DIRECTORS' REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

Govind Rubber Limited

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Govind Rubber Limited** (hereinafter called "**the company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act");
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the audit period)

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not applicable to the Company during the audit period)

We further report that the Company has a compliance system in place and we have examined the relevant documents and records on test-check basis with respect to other Acts as applicable which are as under:

- vi. Other applicable acts:
 - a) The Factories Act, 1948.
 - b) The Industrial Dispute Act, 1947. (ID Act)
 - c) The Equal Remuneration Act, 1976.
 - d) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
 - e) The Payment of Bonus Act, 1965.
 - f) The Payment of Gratuity Act, 1972.
 - g) The Payment of Wages Act, 1936.
 - h) The Child Labour (Prohibition and Regulation) Act, 1986.
 - i) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
 - j) The Environment (Protection) Act, 1986.
 - k) The Water (Prevention and Control of Pollution) Act, 1974.
 - l) The Air (Prevention and Control of Pollution) Act, 1981.
 - m) The Bombay Shops & Establishment Act, 1948.
 - n) The Central Sales Tax Act, 1956 & other applicable state Sales Tax Acts.
 - o) The Professional Tax Act, 1975.
 - p) The Income Tax Act, 1961.
 - q) The Service Tax (Finance Act, 1994).
 - r) The Water Cess Act, 1977.