

# LLOYD ROCKFIBRES LIMITED

## BOARD OF DIRECTORS

**SHRI R.P. PUNJ**  
CHAIRMAN

**SHRI GAURAV PUNJ**  
MANAGING DIRECTOR

**SHRI B.D. MALLIAH**  
DIRECTOR

**SHRI A.K. SRIVASTAVA**  
WHOLETIME DIRECTOR

**SHRI HARISH KUMAR ATTAVAR**  
DIRECTOR

**SHRI NARESH KUMAR THANAI**  
DIRECTOR

## AUDITORS

**M/S. DUBEY & CO.**  
CHARTERED ACCOUNTANTS  
NEW DELHI

## REGISTRAR AND SHARE TRANSFER AGENT

**M/S. BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.**  
BEETAL HOUSE, 99, MADANGIR,  
3RD FLOOR, BEHIND LOCAL SHOPPING CENTRE,  
NEAR DADA HARSUKHDAS MANDIR,  
NEW DELHI-110062

## BANKERS

**ORIENTAL BANK OF COMMERCE, NEW DELHI**  
**ICICI BANK, AURANGABAD**  
**BANK OF BARODA, AURANGABAD**

## REGISTERED OFFICE

**Plot No. 2, Punjsons Premises,**  
**Kalkaji Industrial Area,**  
**New Delhi-110019**  
**Phone No. : 011-26462157**  
**Fax No. : 011-26464344**  
**E-mail : gpl3@vsnl.com**

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# LLOYD ROCKFIBRES LIMITED

## NOTICE

To,  
The Members,

Notice is hereby given that the 21st Annual General Meeting of the Company will be held at the registered office of the Company at Plot No. 2, Punjsons Premises, Kalkaji, Industrial Area, New Delhi-110019 on Thursday, the 30<sup>th</sup> September, 2010, at 11.00 A.M. to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2010, and Profit & Loss Account of the Company for the year ended 31<sup>st</sup> March, 2010 and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Harish Kumar Attavar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Naresh Kumar Thanai, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s Dubey & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

*By Order of the Board*  
**For LLOYD ROCKFIBRES LIMITED**

Place: New Delhi  
Date: 10/08/2010

**(R. P. PUNJ)**  
**CHAIRMAN**

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED.**
2. **MEMBERS/PROXIES SHOULD BRING THE ATTENDANCE SLIP DULY FILLED IN FOR ATTENDING THE MEETING.**
3. The Register of Members and Share Transfer Book of the Company will remain closed on 29<sup>th</sup> September, 2010 and 30<sup>th</sup> September, 2010
4. The Members are requested to:
  - (a) take the advantage of dematerialization of shares as Company's scrip has been put under compulsory dematerialization. Members are requested to get in touch with any Depository Participant for getting the shares dematted.
  - (b) Bring their copy of Annual Report at the Annual General Meeting.
5. Members desirous of any information concerning the accounts and operation of the Company are requested to send their queries to the Company at least one week before the meeting, so as, to enable the management to keep information ready. Replies will be provided only at the meeting.
6. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays upto the date of the Annual General Meeting.

*By Order of the Board*  
**For LLOYD ROCKFIBRES LIMITED**

Place: New Delhi  
Date: 10/08/2010

**(R. P. PUNJ)**  
**CHAIRMAN**

# LLOYD ROCKFIBRES LIMITED

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## DIRECTORS' REPORT

To,  
The Members,  
Lloyd Rockfibres Limited

Your Directors have pleasure in presenting the 21st Annual Report along with the Audited Statement of Accounts of the company for the financial year ended 31<sup>st</sup> March, 2010.

### FINANCIAL HIGHLIGHTS

	Current Year 2009-10 (Rs.in Lac)	Previous Year 2008-09 (Rs. in Lac)
Total Income	1291.50	1248.05
Depreciation	43.91	51.11
Profit / Loss after Depreciation, W/off & Deferred tax liability	(42.53) 0.97	(70.09) (60.02)
Interest & Bank Charges	6.09	1.25
Profit/ (Loss) for the year	(41.55)	(10.06)

### DIVIDEND

In view of the losses incurred by the company, the Directors regret their inability to recommend any dividend for the current year under review.

### PERFORMANCE

The turnover of the Company has gone up by Rs. 43.45 lacs over the previous year, but the Company incurred a loss of Rs. 41.55 lacs as compared to a loss of Rs. 10.06 lacs of previous year. This is due to increase in cost of all most all inputs. Your directors hope for better results in the coming financial year.

### SHIFTING OF REGISTERED OFFICE

Consequent to the approval of shareholders for shifting of registered office from Tamil Nadu to New Delhi an application was made to Hon'ble Company Law Board, Southern Region Bench, Chennai. The Hon'ble Company Law Board, Southern Region Bench, Chennai, vide its order dated 06-07-2010, has approved the said shifting of registered office.

### FUTURE

At present your company is facing stiff competition from the players in the unorganized sectors. The profit margins have come down. Your management is trying its best to beat the Competition.

### MATERIAL CHANGES

No material changes have occurred from the date of balance sheet till the date of this report which has any adverse affect on the working of the company.

### PUBLIC DEPOSITS

Your Company has not accepted any deposits with in the meaning of Section 58A & 58AA of the Companies Act, 1956, and the rules made thereunder.

### AUDITORS' REPORT

There is no adverse qualification/remark in the Auditor's Report which needs to be examined.

### AUDITORS

M/s. Dubey & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received letter from them to the affect that their appointment, if made, would be within the limits prescribed U/s 224(1B) of the Companies Act, 1956. M/s. Dubey & Co., Chartered Accountants, is required to be reappointed as Statutory Auditors of the Company at the ensuing Annual General Meeting. Their appointment has also been recommended by the Audit Committee.

# LLOYD ROCKFIBRES LIMITED

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## DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Harish Kumar Attavar and Mr. Naresh Kumar Thanai, would retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Your directors recommend their reappointment.

## DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors of your Company state:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii) that 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, safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that the directors had prepared the annual accounts on a going concern basis.

## AUDIT COMMITTEE

The audit committee has met and reviewed the financial statements for the financial year ended 31.03.2010 and has not given any adverse observations. It has also recommended the re-appointment of M/s. Dubey & Co., Chartered Accountants as statutory auditors of the Company. Presently Mr. R. P. Punj, Mr. Harish Kumar Attavar, Mr. Naresh Kumar Thanai & Mr. B. D. Malliah are the members of Audit Committee. Mr. Naresh Kumar Thanai, a non-executive independent director is the Chairman of the Committee. The role and scope of the Committee is as per the requirement of Section 292A of the Companies Act, 1956 and Listing Agreement.

## CORPORATE GOVERNANCE

As per clause 49 of the listing agreement with Stock Exchange(s), Management discussion & Analysis Report and Corporate Governance Report is annexed as Annexure I and Annexure II & form part of this Directors' Report.

## PARTICULARS OF EMPLOYEES

There was no employee receiving remuneration during the year in excess of limits prescribed u/s 217 (2A) of the Companies Act, 1956, and the relevant rules made there under.

## CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars required under Section 217(1) (e) of the Companies Act, 1956 and the Rules made there under have not been specified for our industry. The Company has neither incurred any expenditure nor earned any income in the Foreign Currency during the year. Your Company is not using any Foreign Technology.

## EMPLOYEES RELATIONS

The industrial relations continued to be cordial and harmonious. Your directors wish to place on record the appreciation for the devoted services rendered by the workers, staff and executives of the Company at all levels who have contributed to the efficient and successful management of the Company.

## LISTING

Hon'ble BIFR had while sanctioning the rehabilitation scheme of the Company approved the delisting of Companies securities from Delhi, Madras and Calcutta Stock Exchanges. Madras Stock Exchange has vide its letter dated 28<sup>th</sup> July, 2010 has confirmed that the company has been delisted. A copy of the said order has been forwarded to the said exchanges with a request to delist the securities, various reminders have also been sent to the said exchanges. However, the shares of the Company are listed at Bombay Stock Exchange and the fees has been paid.

## ACKNOWLEDGEMENT

Your directors take this opportunity to offer their sincere thanks to various departments of the Central and state Governments, Financial Institutions, Banks and Investors for their unstinted support, assistance and valuable guidance.

*By Order of the Board*  
**For LLOYD ROCKFIBRES LIMITED**

Place: New Delhi  
Date: 10/08/2010

**(R. P. PUNJ)**  
**CHAIRMAN**

# LLOYD ROCKFIBRES LIMITED

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## ANNEXURE – I

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### INDUSTRIAL SCENE

The Company is engaged in manufacture and supply of Rockwool Insulation products, which are very useful in industries and especially in building and construction industry. The growth of the insulation industry is mainly dependent on the development of Infrastructure and Power Sectors. Government has been focusing on these areas as major thrust areas for development and growth of the country, hence, these sectors have shown a continuous growing trend. Various new power projects have been sanctioned recently by the government and this has paved way for potential source of consumption of rockwool and insulation products, thereby, making rockwool and insulation industry a real growth sector. With the growth of Infrastructure Sector, there has also been a growth in its allied sectors e.g. construction and construction materials. These factors taken together have increased the demand of insulation and rockwool products in such a way that for many years to come, the demand for rockwool and insulation products will continue to show a rising trend.

#### STRENGTHS

The company is endowed with human resources of sound technical knowledge, expertise and experience. The competitive strength of the company has increased and has become good enough to stay in the market for years to come. This has really helped the Company to have its presence felt in the insulation products market.

#### THREATS

As described above there is expectation of huge demand in insulation industry in the years to come and Indian industry may not be able to cope up with the increasing pressure of demand and supply as per the inflated demand. Thus, there is a great possibility of foreign players coming into the market and increasing competition, thereby reducing margins. With the entry of foreign players, Indian Companies may be adversely affected. Further, the industry has to keep pace with the latest technology with continuous research & development. However, your directors feel that with its competent man power and sound technical prowess, the company will be able to stay ahead of competition.

#### COMPANY'S OUTLOOK

It is the endeavour of the Company to improve its performance by adopting latest techniques of production, improve product acceptability and cutting / reducing costs wherever possible.

#### RISK MANAGEMENT

The Risk Management policies of the Company have been implemented to ensure that all the moveable and immoveable assets of the Company are adequately covered and the same are renewed by the Board from time to time. Besides the Company is prone to usual business risks like change in demand, change in Government policy (ies), International agreements on trade and tariffs etc.

#### INTERNAL CONTROL SYSTEM

The Company has developed an internal control system and procedures to ensure efficient conduct of business and security of its assets. Management Information system is being developed through which production performance and financial dealings are monitored by management on regular basis.

#### HUMAN RESOURCES

The Company believes that the workers are the backbone of the Company. It has provided & will provide opportunities to all the employees to utilize their full potential and grow in the organization. There was no strike or labour unrest during the last financial year. As on 31.03.2010 the total numbers of employees were 32.

# LLOYD ROCKFIBRES LIMITED

## ANNEXURE - II Report on Corporate Governance

### 1. Company's Philosophy on Corporate Governance

Your Company has always endeavoured for bringing excellence in all spheres of its working, be it production and quality control, customer satisfaction, shareholders servicing, relationship with workers, etc. The basic Corporate Governance norms have been adopted at the Board, Management and Operational levels. These norms are reviewed and reaffirmed on an ongoing basis.

### 2. Board of Directors

The composition of the board is in agreement with the Listing Agreement. The Company has a Non-Executive Chairman. The Board's composition meets the stipulated requirement of at least 1/3<sup>rd</sup> of the Board comprising of independent Directors who have no material business relationship with the Company.

### 3. Board Meetings

During the financial year 2009-10, five meetings were held. These were held on 24.04.2009, 19.06.2009, 28.07.2009, 22.10.2009 and 29.01.2010. The intervening period between two meetings was well within the maximum time gap of 4 months as prescribed under Corporate Governance norms.

The details of directors and their attendance record at the Board Meeting held during the year under review are as follows:

Name	Category	Designation	No. of Meetings Attended	No. of Membership In Boards of Other Companies	Attendance of each Director At last AGM
Mr. R P Punj	Non Executive	Chairman	5	9	Yes
Mr. Gaurav Punj	Non Independent Director	Managing Director	5	9	No
Mr. B D Malliah	Non Executive	Director	3	Nil	No
Mr. A K Srivastava	Independent Director	Whole Time Director	5	15	No
Mr. Harish Kumar Attavar	Non Executive	Director	Nil	1	No
Mr. Naresh Kumar Thanai	Independent Director	Director	5	2	No

### Board's Procedures

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc. are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feed back reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

### 4. Committees of the Board

#### a) Audit Committee

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and clause 49 of the Listing Agreement, an audit committee comprising of four Directors has been constituted to perform all such powers and functions as are required to be performed under the said provisions. Three members of the Committee viz. Mr. Harish Kumar Attavar, Mr. Naresh Kumar Thanai and Mr. B.D. Malliah are Non-Executive Independent Directors and one member viz. Mr. R. P. Punj, is a Non-Executive Non Independent Director. Mr. Naresh Kumar Thanai, an Independent Director is the Chairman of the Committee. All members of the Audit Committee are financially literate.

#### Audit Committee Meetings

During the financial year 2009-10, five meetings were held. These were held on 24.04.2009, 19.06.2009, 28.07.2009, 22.10.2009, and 29.01.2010. The intervening period between two meetings was well within the maximum time gap of 4 months as prescribed under Corporate Governance norms.

#### b) Remuneration Committee

The Board of Directors constituted a Remuneration Committee comprising three non-executive and independent directors viz. Mr. B.D. Malliah, Mr. Harish Kumar Attavar and Mr. Naresh Kumar Thanai. Mr. B.D. Malliah is the Chairman of the Remuneration Committee. The committee has been constituted to review and approve the annual salaries, commission, service agreement and other employment conditions for the executive directors.

A meeting of remuneration Committee was held on 28.07.09 during the period.

#### Remuneration Policy

Subject to the approval of the Board of Directors and the subsequent approval by the shareholders at the General Body Meeting and such authorities as the case may be, remuneration of the Managing/Whole-time Directors is fixed by the Remuneration Committee. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises basic salary, commission, perquisites and allowances, contribution to provident fund and other funds in accordance with various related provisions of the Companies Act, 1956. The remuneration policy for Whole-time Directors is directed towards regarding of performance, based on review of achievements. The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them.

#### c) Investors Grievance Committee

The Board of Directors constituted an Investor Grievance Committee, comprising of three directors viz. Mr. R. P. Punj, Mr. A. K. Srivastava and Mr. Gaurav Punj. The Committee has been constituted to specifically look into redressal of shareholders and investor grievance such as transfer of shares, dividend and dematerialization related matters.

# LLOYD ROCKFIBRES LIMITED

## General Body Meetings

Details about Last 3 years Annual General Meetings are as under:

Sr. No.	Date	Place	Time	Special Resolution
1.	29.09.2007	No.5, Kamaraj Salai, Manali, Chennai-600068	11.00 A.M	No special Resolution was passed
2.	30.09.2008	No.5, Kamaraj Salai, Manali, Chennai-600068	11.00 A.M	No special Resolution was passed
3.	29.09.2009	No.5, Kamaraj Salai, Manali, Chennai-600068	2.00 P.M.,	Special Resolution was passed regarding Reappointment of Mr. Gaurav Punj , as Managing Director of the Company for the period of three years i.e. from 31.08.2009 to 30.08.2012

\* Special resolutions were passed by vote of show of hands.

Neither any Extra-Ordinary General Meeting nor any resolution was passed through Postal Ballot during the Year under review.

## Disclosures

- There are no materially significant related party transactions i.e. transactions material in nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. having potential conflict with the interest of the company at large.
- There has been no non compliance by the Company nor were any penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years.
- Presently, the Company does not have a Whistle Blower Policy. No personnel of the Company has been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements of Clause 49. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

## Code of Conduct

The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have affirmed compliance with the Code on annual basis and MD's Certificate to the Board of Director contains a declaration to this effect.

## Means of Communication

The Quarterly Financial Results of the Company were published in The Trinity Mirror (English) and Makkal Kural (Tamil). Further, information has been supplied to Stock Exchanges for posting on site. Management discussions and analysis forms a part of this report.

## General Shareholders Information

- a) **Annual General Meeting**
- Date : 21st Annual General Meeting
  - Day : 30th September, 2010
  - Time : Thursday
  - Place : 11.00 A.M.
  - Dividend Payment : Plot No. 2, Punjsons Premises, Kalkaji, Industrial Area, New Delhi-110019
  - Financial Year : No dividend is recommended for the financial year 2009-10
  - Financial Year : 1st April, 2009 to 31st March, 2010

## b) Financial Calendar

Tentative calendar of events for the financial year 2010-11(April to March) is as under:

Adoption of Quarterly Financial Results for:

First Quarter - upto 15th August, 2010

Third Quarter- upto 15th February, 2011

Second Quarter -upto 15th November, 2010

Fourth Quarter - upto May, 2011

## c) Book Closure

Book closure is from 29th September, 2010 and 30th September, 2009 (both days inclusive) for the purpose of Annual General Meeting.

## d) Listing at Stock Exchanges

### Scribe Code

Bombay Stock Exchange Ltd., Mumbai

531527

Listing Fee for the year 2009-10 has been paid to the Bombay Stock Exchange Limited (BSE).

Further, while sanctioning rehabilitation scheme, hon'ble BIFR vide its order dated 21.12.2006, recommended Delhi, Madras & Calcutta stock exchanges to delist the securities of the company. Company has forwarded copy of the said order with a request to delist the shares. Madras Stock Exchange vide its letter dated 28<sup>th</sup> July, 2010 has confirmed that the securities company stand delisted from Madras Stock Exchange.

## Stock Market Price

Trading of Company's Shares has been under suspension at Bombay Stock Exchange Limited, therefore, month wise Stock data is not available for the financial year 2009-10

## Shareholders Complaints

Company has not received any complaint during the financial year 2009-10. There is no complaint pending.