

19TH
ANNUAL REPORT
2012 - 2013



GRM OVERSEAS LIMITED

**19TH ANNUAL
GENERAL MEETING**

Day : Monday

Date : 30th September, 2013

Time : 9.30 A.M.

Venue : **GRM OVERSEAS LIMITED**
128, First Floor, Shiva Market,
Pitampura, Delhi -110034

BOARD OF DIRECTORS

Shri Hukam Chand Garg

Chairman-cum-Mg.Director

Shri Rohit Garg

Whole-time Director

Shri Chetan Kapoor

Director

Shri Vikram Malik

Director

Shri Atul Garg

Director

Shri Parveen Kumar

Director

BANKERS

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

AUDITORS

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

REGISTERED OFFICE

GRM OVERSEAS LIMITED
128, First Floor, Shiva Market
Pitampura,
Delhi – 110 034.

WORKS

GRM OVERSEAS LIMITED
Gohana Road, Panipat – 132 103
(Haryana)

REGISTRAR & SHARE TRANSFER AGENTS

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

CONTENTS	PAGE NO.
Notice	1
Directors' Report	3
Compliance Certificate	6
Corporate Governance	9
Auditors' Report	16
Balance Sheet	19
Profit & Loss Statement	20
Cash Flow Statement	21
Notes to Financial Statement	22



NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Company will be held as under:

Day	:	Monday
Date	:	30 th September, 2013
Time	:	9:30 A.M.
Venue	:	128, First Floor, Shiva Market, Pitampura, New Delhi - 110 034

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Parveen Kumar who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Chetan Kapoor who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s PVS & CO., Chartered Accountants, Statutory Auditors to hold office from the conclusion of this meeting until the Next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as on **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 350 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956(as amended, reenacted from time to time) and subject to such other consents, approvals, sanctions, as may be necessary, consent of the company be and is hereby accorded to the re-appointment of Shri Rohit Garg, as Whole-time Director for a further period of 5 years w.e.f. June 30, 2013 on the terms and conditions as set out in the Explanatory Statement to this Notice and hereby approved, with liberty to the Board of Directors to revise the terms as to remunerations, from time to time, in consultation with and/or recommendation of the Remuneration Committee, within the limits provided for in the said Schedule XIII or any amendments thereof for the time being in force."

By Order of the Board

Place : New Delhi
Date : August 14, 2013

ROHIT GARG
Whole-time Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Brief resume of all Directors including those proposed to be appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships/chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement executed with the Bombay Stock Exchange, are provided in the Report on Corporate Governance forming part of the Annual Report.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 26, 2013 to Monday, September 30, 2013(both days inclusive). Dividend, if declared at the AGM shall be payable to those Members whose name will appear on Register of Members of the Company and/or the Register of beneficial owners maintained by the depositories (National Securities Depositories Limited and Central Depositories Services



(India) Ltd.) as at the close of business hours on Thursday, September 26, 2013 and the dividend amount shall be credited/dispached between October 26, 2013 and October 30, 2013.

4. Members are requested to bring their copies of the annual report to the annual general meeting.
5. The members / proxies should bring the attendance slip duly filled in and signed for attending the meeting.
6. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no.6 is annexed hereto.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO.6

Mr. Rohit Garg, being an existing Whole-time-Director of the Company has been re-appointed as Whole-time-Director for a further period of 5 (Five) years w.e.f. June 30, 2013 by the Board of Directors in their meeting held on June 30, 2013, subject to the approval of the shareholders.

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

1. **Period:** Period of Appointment is 5 (Five) years with effect from June 30, 2013.
2. **Salary:** Rs.80,000/- p.m. including Dearness and all other Allowance.
3. In addition to Salary the following perquisite will be provided as per the policies of the Company.
 - (i) **Housing:** The expenditure by the Company on hiring furnished accommodation for the Whole-time-Director will be subject to the following ceiling : 60% of the Salary, over and above 10% payable by the Whole-time-Director.
 - (ii) **Medical Reimbursement:** Re-imbusement of actual expenses incurred for self and family subject to the ceiling of one month salary in a year or three months salary over a period of three years.
 - (iii) **Leave Travel Concession:** Leave Travel expenses for self and family once in a year incurred to and from any place in India in accordance with rules of the Company.
 - (iv) **Club Fee:** Reimbursement of fees of not more than two clubs. This will not include admission and life Membership Fees.
 - (v) **Personal Accident Insurance:** Personal Accident Insurance cover as applicable in line with the rules and the Company.
 - (vi) **Communication Facilities:** All expenses incurred by Mr. Rohit Garg on communication facilities for official use.

In addition to above he shall also be entitled to the following perquisites:

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

The company stands to gain considerably by the re-appointment of Mr. Rohit Garg as Whole-time-Director of the Company in view of his experience and expertise and the Directors recommend the resolution set out in this item No.6 of the accompanying notice for your approval.

Mr. Rohit Garg, Mr. Atul Garg (being brother) and Mr. H. C. Garg (being father) is deemed to be concerned or interested in the resolution as they are relatives to each other and Mr. Rohit Garg is further interested in the resolution as it relates to his appointment.

By Order of the Board

Place : New Delhi
Date : August 14, 2013

ROHIT GARG
Whole-time Director



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have great pleasure in presenting the 19th Annual Report of the Company along with the Audited Accounts for the year ended 31st March 2013.

	(Rs. /Lacs)	
	<i>CURRENT YEAR</i>	<i>PREVIOUS YEAR</i>
<i>FINANCIAL RESULTS</i>	<i>(2012-2013)</i>	<i>(2011-2012)</i>
Profit before Depreciation & Finance Charges	1,217.38	1,182.43
Less : Finance Charges	681.17	707.84
Depreciation	123.11	824.13
Net Profit after Depreciation & Finance Charges	413.10	358.30
Provision for Income Tax, Deferred Tax and Dividend Tax	134.80	119.18
APPROPRIATIONS		
Transferred to Profit & Loss Account	191.97	153.36
Provision for Dividend	86.33	85.76

DIVIDEND

Your Directors' are pleased to recommend Dividend @20% (i.e. Rs.2/- per Equity Share) for the financial year ended on 31st March 2013(Previous Year Rs.2/- per Equity Share), to all those shareholders whose name appears in the register of members of the Company as on Record Date fixed in this regard.

CURRENT YEAR WORKING

Your Directors hereby inform you that in the current year the overall performance of the company has been improved significantly due to higher Sales realization. During the current year the Company would make all efforts to accelerate its' pace of growth and overall performance.

DISCLOSURE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

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

DIRECTORS

In accordance with the Articles of Association of the Company and the provisions of the Companies Act, 1956, Mr. Parveen Kumar and Mr. Chetan Kapoor, Directors of the Company, retire by rotation at the ensuing Annual General Meeting & being eligible offers themselves for re-appointment and the Board recommends their respective re-appointment.

Apart from the above Mr. Rohit Garg has been reappointed by the Board as Whole-time Director for a period of 5 years with effect from June 30, 2013 subject to the approval of the Shareholders on the same terms and conditions.

None of the directors of the Company is disqualified under the provisions of Section 274(1)(g) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. all the applicable accounting standards have been followed in the preparation of the accompanying accounts and that there are no material departures;
2. they have selected such accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year on March 31, 2013 and of the Profit of the Company for the said period;
3. they have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. they have prepared the Annual Accounts on a going concern basis.

**AUDITORS**

During the year under review, M/s Shashi Chadha & Co. stands merged with M/s PVS & Co. after all regulatory approvals and sanctions of the concerned authorities, the proprietor of erstwhile Shashi Chadha & Co. continues to be a partner of the merged entity M/s PVS & Co. The Auditors M/S PVS & CO., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Board of Directors recommends their re-appointment.

PUBLIC DEPOSITS

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

COMPLIANCE CERTIFICATE

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

COST AUDITORS

The Company has appointed M/s Bhavna Jaiswal & Associates, Cost Accountants under Rule 5 of the Companies (Cost Accounting Records) Rules, 2011 for giving its Compliance Report as prescribed under Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 and the said Report has already been filed in the prescribed form with the relevant authorities. The Cost Audit Report for the Financial Year 2012-13 shall be filed by the Cost Auditors, M/s Bhavna Jaiswal & Associates in due course.

PARTICULARS OF EMPLOYEES

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

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

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

MANAGEMENT DISCUSSION ANALYSIS & CORPORATE GOVERNANCE REPORT

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

ACKNOWLEDGEMENT

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

By Order of the Board

Place : New Delhi
Date : August 14, 2013

H. C. GARG
Chairman cum Managing Director



ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2013.

(1) Conservation of Energy

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

	<i>CURRENT YEAR</i> 2012-2013	<i>PREVIOUS YEAR</i> 2011-2012
A. POWER AND FUEL CONSUMPTION		
a) Purchased Units	3657502	3888760
Total Amount (Rs.)	24616617	21555487
Rate/Unit (Rs.)	6.73	5.54
b) Own Generation		
Through Diesel Generator		
Units (approx.)	1142695	1339368
Cost of Fuel	11446672	13303312
Cost/Units (Rs.)	10.02	9.93
B. CONSUMPTION PER UNIT (M.T.) OF PRODUCTION		
Production Unit (M.T.)	22274	23051
Electricity	4800197	5228128

(II) TECHNOLOGY ABSORPTION

Continue to bring improvement in quality & processes.

(III) RESEARCH AND DEVELOPMENT

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

None

None

Benefit derived as a result of the above R & D

None

None

Future plan of Action

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

(IV) FOREIGN EXCHANGE EARNING AND OUTGO

	<i>CURRENT YEAR</i> 2012-2013	<i>PREVIOUS YEAR</i> 2011-2012
Foreign Exchange Earnings (in Rs.)	2465294003.00	2123149778.00
Foreign Exchange Outgo	NIL	12578735.00

By Order of the Board

Place : New Delhi
Date : August 14, 2013

H. C. GARG
Chairman cum Managing Director



COMPLIANCE CERTIFICATE

Registration No. of the company : L74899DL1995PLC064007
Nominal Capital : Rs.7,00,00,000/- (Rupees Seven Crores Only)

To,
The Members
GRM Overseas Limited
128, First Floor, Shiva Market
Pitampura, New Delhi – 110 034.

We, have examined the registers, records, books and papers of **GRM Overseas Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, the listing agreement as executed with the Bombay Stock Exchange (BSE) for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company is a Public Limited Listed Company within the meaning of the Act.
4. The Board of Directors duly met 4(Four) times on 30-05-2012, 14-08-2012, 12-11-2012, & 14-02-2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its register of members and Share Transfer Books from September 21, 2012 to September 28, 2012 to ascertain the name of the members who are entitled for dividend on Equity Shares. Adequate notice was published in the Newspaper as per the requirement of the Act and intimation was also sent to BSE.
6. The annual general meeting for the financial year ended on 31.03.2012 was held on September 28, 2012 after giving notice to all the shareholders of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary general meetings were held during the period under scrutiny.
8. The company has not advanced any loans or given guarantees to its directors or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contract falling within the purview of section 297.
10. The company has duly complied with provision of section 301 in regard to general disclosure u/s 299 and contracts entered there under.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Director, members or Central Government.
12. The company has not issued any duplicate share certificate during the financial year.
13. (i) The company has not allotted any equity shares during the year under review and has received equity shares for transfer/transmission. The Share Certificate after transfer/transmission was sent to the investor in-time.
(ii) The company has deposited amount in a separate bank account for the dividend declared during the year.
(iii) The company has posted Demand Draft/Pay Orders/Cheques/Warrants to the members of the company for the dividend declared during the financial year.
(iv) The Company was required to transfer the unpaid/unclaimed dividend amount to Investor Education and Protection Fund during the year, which was duly transferred within the time limits prescribed under the provisions of the Act and the rules made there under.
(v) The company has duly complied with the requirements of section 217 of the Act.



14. The Board of Directors of the company is duly constituted, in terms of the provisions of the Companies Act, 1956.
15. The company has not made appointment of Managing Director during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company has obtained approvals from the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under various provisions of the Act, wherever required.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act.
19. The company has not issued any equity share during the financial year under review.
20. The company has not bought back any shares during the financial year ended 31.3.2013.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, right shares, bonus shares pending registration of transfer of shares.
23. The company has not invited/ accepted any deposits including any unsecured loans falling within the purview of section 58A during the Financial Year.
24. The company has not made any borrowings during the financial year, except for the Working Capital Limits as sanctioned by Scheduled Bank(s).
25. The Company is a Public Limited Company but has not made any transaction for which Section 372A of the Act becomes attracted.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not increased its Authorised Share Capital.
30. The company has not altered its articles of association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company for any offences under the Act and no fines or penalties or any other punishment was imposed on the company during the financial year.
32. The company has not received any money as security from its employees during the year under certification.
33. The provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 are applicable to the Company and the provisions of this act are complied.

for **GDS & ASSOCIATES**
Company Secretaries

Place : New Delhi
Date : August 14, 2013

(Jyoti Sharma)
Partner
C. P. No. 10196

**ANNEXURE – A**

Registers as maintained by the Company

Statutory Registers :

1. Register of Members	U/S	150
2. Register of contracts with firms and companies in which directors are interested	U/S	301
3. Register of Directors, Managing Director, Manager and Secretary	U/S	303
4. Register of Directors Shareholding	U/S	307
5. Register of Investments	U/S	372A
6. Books of Accounts	U/S	209
7. Minute Books Board Meeting General Meeting	U/S	193

Other Registers

1. Application Form and Allotment Register.
2. Share Transfer Register.

ANNEXURE – B

Forms and Returns as filed by the Company with Registrar of Companies or other authorities during the financial year ended 31.03.2013.

Sl. No.	Form No./ Return	Filed under Section	For	Date of Filing & Receipt No.
1.	Annual Return (Form 20B)	159	Annual Return as on the date of AGM held on 28/09/2012	26/11/2012, SRN Q02557700
2.	Annual Report (Form 23ACXBRL/ ACAXBRL)	220	2011-2012	12/01/2013, SRN Q05780366
3.	Form 66	383A	Compliance Certificate	15/10/2012, SRN P90302472
4.	Form A XBRL	209(1)(d), 600(3)(b)	Cost Accounting Rules 2011	04/01/2013, SRN S19781152
5.	Form 1 (INV)	Rule 3 of the IEPF Rules, 2001	Transfer of Unpaid Dividend to IEPF	26/11/2012, SRN B62430723
6.	Form 8	125	Creation/modification of Charge	27/12/2012, SRN B64750136



CORPORATE GOVERNANCE REPORT

In terms of the Listing Agreement, Management Discussion and Analysis Report is annexed and forms part of the Annual Report. A report on Corporate Governance along with the Auditors Certificate on its compliance also annexed forming part of the Annual Report.

1. COMPANY'S PHILOSOPHY

Company believes that fairness in corporate procedures, full disclosures in reporting system, total transparency in corporate culture, fiduciary and trustee relationship and maximization of shareholders value in the long run are the pillars on which the structure of the corporate governance rests. The concept of corporate governance hinges on accountability, responsibility, and effective monitoring, quality of information, integrity, trust & confidence.

Company believes that a well-constituted and competent Board of Directors can alone efficiently adopt corporate governance framework of "Perspective, Plans, Policy, Processes, Productivity, Performance & People". The Board must effectively monitor the corporate resources comprising of "Men, Money, Machines, Material, Marketing, Management, and Motivation".

Company's philosophy is to provide colorless document for fair, unbiased, accurate, authentic and factual information in most concise and succinct manner to its shareholder, lenders, customers, bankers government and people at large.

2. BOARD OF DIRECTORS

The Board consists of the following:

(a) Promoter & Executive Directors:

Shri Hukam Chand Garg (D.O.B 14.09.1943), aged 69 years is Chairman cum Managing Director and founder of the company, who holds a diploma in Electrical Engineering and has previously worked with Haryana State Electricity Board, he entered the rice business in 1974, when he established Garg Rice & General Mills, and has been in this trade since then. He has over 38 years of experience in rice processing and trade.

Shri Rohit Garg (D.O. B 01.07.1972), aged 40 years, is a commerce graduate (B.Com) from Delhi University. He has been actively involved in the family business of rice manufacturing since 1983. At present he is Whole-time Director of the company and looks after the export marketing. His marketing skills and his contacts in the overseas markets will help the company in meeting its export target.

Shri Atul Garg (D.O.B. 08.09.1978) aged 35 years, is BBA (Hons) (London). He has been actively involved in the family business of rice manufacturing since 2008. He looks after the domestic and international marketing of the Company and has also vast experience of the Overseas business.

(b) Independent Executive Director: -

There has been no Independent Executive Director in the company.

(c) Independent Non-Executive Directors: -

Shri Chetan Kapoor (D.O.B. 19.11.1976), aged 37 years is a commerce graduate. He has in-depth knowledge of audit & accounts. He has been working as Software Engineer for last 17 years and has expertise knowledge of making software of different industries, especially rice industry.

Shri Vikram Malik (D.O.B. 19.04.1978), aged 35 years is a commerce graduate. He has vast experience of accounting procedures and has in-depth knowledge of handloom and rice industries. He has been engaged in the field of handloom industry for the last 13 years.

Shri Parveen Kumar (D.O.B. 10.09.1959), aged 54 years is a commerce graduate. He belongs to a Landlord family and has vast experience of procurement of paddy and has in-depth knowledge of rice industries. He has been engaged in the field of paddy procurement for the last 29 years.

(d) Meetings:-

Four Board meetings were held during the year on May 30, August 14, November 12, 2012 and on February 14, 2013. Last Annual General Meeting was held on 28-09-2012. The gap between any two meetings was less than 120 days. The annual general meeting and all the four board meetings were attended by all the concerned directors.


(e) Directors' Attendance and other directorship & membership / chairmanship:-

The names and categories of the Directors on the Board, along with their attendance of Board Meetings held during the year and at last Annual General Meeting and the number of other directorship and chairmanship/ membership of committees of each Director in various Companies are given below:

S. No.	Name of Director, Design. & (DIN No.) Date of Appointment, No. of Equity shares in the company	Category	Inter-se relationships between directors		No. of Directorships in other Indian Companies*	No. of Memberships/ Chairmanships in other Board Committees**	No. of Board Meetings		Whether attended last AGM
			Related with	Relation			Held	Attended	
1.	Mr. Hukam Chand Garg, Chairman cum Mg. Director (00673276) 03.01.1995, 16,26,200 Equity Shares of Rs. 10/- each	Promoter-Executive Non Independent	Mr. Rohit Garg & Mr. Atul Garg	Son Son	Nil	Nil	4	4	Yes
2.	Mr. Rohit Garg, Whole-time Director (00673304) 30.06.2003, 10,90,000 Equity Shares of Rs. 10/- each	Promoter-Executive Non Independent	Mr. H. C. Garg Mr. Atul Garg	Father Brother	Nil	Nil	4	4	Yes
3.	Mr. Chetan Kapoor, Director (00672045) 31.03.2003, Nil Equity Share	Non-Executive Independent Director	Nil	Nil	Nil	Nil	4	4	Yes
4.	Mr. Vikram Malik, Director (00438494) 31.03.2007, Nil Equity Share	Non-Executive Independent Director	Nil	Nil	Nil	Nil	4	4	No
5.	Mr. Atul Garg, Director, (02380612), 14.02.2011, Nil Equity Share	Promoter Non-Executive Non Independent	Mr. H.C. Garg Mr. Rohit Garg	Father Brother	Nil	Nil	4	4	No
6.	Mr. Parveen Kumar, Director,(03339045), 14.02.2011, Nil Equity Share	Non-Executive Independent Director	Nil	Nil	Nil	Nil	4	4	No

* Other directorships do not include private companies, Section 25 companies and companies incorporated outside India.

**includes only Audit Committee and Shareholders'/Investors' Grievance Committee of Public Limited Companies.

(f) Information Supplied to the Board:-

The Board has complete access to all information with the Company. The following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board Meetings or is tabled in the course of the Board meeting:

- Annual operating plans & budgets and any updates thereof.
- Capital budget and any updates thereof.
- Quarterly results for the Company and operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Materially important show cause, demand, prosecution and penalty notices.
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Apart from the above, the Board periodically reviews the compliance reports of all laws applicable to the Company.

**(g) Code of Conduct:-**

Board has laid down a Code of Conduct for all Board Members and designated Executives of the Company. All the Board members and designates executives have affirmed compliance with the Code of Conduct. A declaration signed by the Chairman cum Managing Director in this regard is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Executives of the Company, affirmation that they have complied with the code of Ethics and business conduct framed for Directors and Senior Management Personnel in respect of the financial year 2012-13. H.C. Garg, Chairman cum Mg. Director."

(h) Directors' Remuneration:-

The remuneration of Managing Director and Whole-time Director is considered & recommended by the Board of Directors without participation of interested directors and is approved by the shareholders in General meeting. The remuneration of each Director is fixed within the ceiling limits prescribed by the Government under Schedule XIII of the Companies Act, 1956. However, no sitting fees were paid to any director of the Company for attending the meeting of the Board or any Committee thereof.

3. AUDIT COMMITTEE**(I) Constitution of Audit Committee**

Mr. Chetan Kapoor (Chairman of the Committee)	Non-executive Director
Mr. Vikram Malik	Non-executive Director
Mr. Parveen Kumar	Non-executive Director

(II) Functions of the Committee

- Review of Annual Financial Statement before submission to the board especially with regard to the changes in accounting policies and practices, major accounting entries, significant adjustments arising out of audit, the going concern assumption, compliance with accounting standards, compliance with stock exchange & legal requirements concerning financial statements and related party transactions.
- Discussion with auditors regarding their observation on accounts.
- Review of Quarterly/yearly results before submission to the board.
- Discussion with auditors regarding adequacy & compliance of internal control system.
- Recommendation on appointment and removal of external auditor, fixation of audit fee, out of pocket expenses and payment of other services.
- Other compliances of companies Act and stock exchanges.

(III) Powers of the committee

- To investigate into any activity within its terms of reference.
- Full access to information contained in the company records.
- To seek information from any employees.
- Access to external professional advice.
- To bind the Board with its audit report on financial management.

(IV) Meetings

During the year 4 meetings of the audit committee were held on 30-05-2012, 14-08-2012, 12-11-2012 & 14-02-2013 and the same were attended by all the concerned directors of the company.

4. SHAREHOLDERS' COMMITTEE**(I) Constitution of Shareholders/Investor Grievances Committee**

Mr. Rohit Garg (Chairman of the Committee)	Whole-time Director
Mr. Chetan Kapoor	Non Executive Director
Mr. Vikram Malik	Non Executive Director
Mr. Parveen Kumar	Non Executive Director

Mr. Rohit Garg is the Compliance Officer to handle the grievances of the Shareholders/ Investors.

The Committee specifically looks into redressal of shareholders' and Investors' complaints such as transfer of shares, non-receipt of shares, non-receipt of dividend declared, to ensure expeditious share transfer process and to review the status of investors' grievances.

During the year 4 meetings of the Shareholders committee were held on 30-05-2012, 14-08-2012, 12-11-2012 & 14-02-2013 and the same were attended by all the concerned directors of the company.

**(II) Shareholders Matters**

In compliance with SEBI Circular No.D&CC/FITTC/CIR-15/2002 dated 27.12.2002, the company has appointed M/s Abhipra Capital Ltd. BM-1, Abhipra Complex, Dilkhush Industrial Estate, A-387, G.T. Karnal Road, Azadpur, Delhi - 110 033 as Registrar and Share Transfer Agent of the Company with effect from 15-07-2003, to look after and be responsible for the entire share registry and shareholders related matters of the company in Demat as well as physical mode. As on date no share transfer is pending. During the year 2012-2013 1 complaint was received from shareholder/investors which all were resolved and as on March 31, 2013 Nil Complaint was pending.

5. REMUNERATION COMMITTEE**(I) Constitution of Remuneration Committee**

Mr. Vikram Malik (Chairman of the Committee)	Ind., Non Executive Director
Mr. Chetan Kapoor	Ind., Non Executive Director
Mr. Parveen Kumar	Ind., Non Executive Director
Mr. Rohit Garg	Promoter, Executive Director

(II) Broad Terms of Reference:

- To review and decide the policy on specific remuneration package of Managing Director and Whole-time Director of the Company.
 - To decide on any other matter as may be referred by the Board.
- During the year 2012-2013 no remuneration committee meeting was held.

6. GENERAL BODY MEETING

Last three Annual General Body Meeting were held in Delhi at the Registered Office of the Company on 30-09-2010, 30-09-2011 and 28-09-2012 at 9.30 a.m. All resolutions at these meetings were passed by show of hands. Special Resolution, wherever required was passed with the requisite majority. There were no matters required to be dealt/ passed by the Company through postal ballot, in any of the aforesaid meetings, as required under the provisions of Section 192A of the Companies Act, 1956. There is no matter proposed to be dealt/passed by the Company through postal ballot in the ensuing Annual General Meeting.

The Chairman of the Audit Committee was present at AGM on September 28, 2012 to answer the queries of the shareholders.

7. DISCLOSURES

There were no transactions of the company of material nature with related parties that may have potential conflict with the interest of the company at large. No penalties or stricture, were imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

8. MEANS OF COMMUNICATION

Annual reports of the company are sent to each shareholders of the company. Half-yearly/Quarterly results are normally published in the Pioneer and Hari Bhoomi newspapers and copies thereof are sent to the Stock Exchanges as per Listing Agreement.

9. GENERAL SHAREHOLDER INFORMATION

A.G.M. Date, Time & Venue	: September 30, 2013 9.30 AM, 128, First Floor, Shiva Market, Pitampura, Delhi-110034.
Financial Calendar	: a) 1st Quarter Results - By the mid of Aug. '13. : b) 2ndQuarter Results - By the mid of Nov., '13. : c) 3rd Quarter Results - By the mid of Feb., '14. : d) 4th Quarter Results - By the mid of May, '14 *Tentative and subject to change.
Date of Book Closure	: September 26, 2013 to September 30, 2013 (both days inclusive)
Dividend Payment Date	: The Board recommended dividend of Rs. 2/-per Share. The Dividend shall be payable on or after September 30, 2013
Stock Exchange Listing	: Bombay Stock Exchange(BSE)
Stock Code	: 531449
ISIN	: INE192H01012



Market Price Data:

Particulars	Apr12	May12	June12	July12	Aug12	Sep12	Oct12	Nov12	Dec12	Jan13	Feb13	Mar13
Low	23.95	N.A.	26.35	30.90	31.50	29.20	29.00	29.55	28.15	31.40	30.00	28.15
High	27.00	N.A.	37.00	41.00	31.50	34.85	35.05	36.75	32.75	39.65	38.25	29.00

Registrar & Transfer Agent	: M/s ABHIPRA CAPITAL LTD. BM-1 Abhipra Complex, Dilkhush Industrial Estate, A-387 G. T. Karnal Road, Azadpur Delhi – 110 033. email Id: info@abhipra.com
Share Transfer System	: All orderly received transfers are processed & registered within 15 days.
Distribution of Share	: Directors and their relatives 27,16,200 - 73.62%,
Holding as on 31.03.2013	: Body Corporate 18,990 - 0.51%, Non Resident Indians 95,400 - 2.58% & Others 8,58,910 - 23.29%

Nominal Value of Shares	No.of Share Holders	% of Total	Amount	%of Total
Upto Rs.5000	271	69.66	5,24,760	1.42
5001 to 10000	58	14.91	5,00,640	1.36
10001 to 20000	23	5.91	3,81,350	1.03
20001 to 30000	4	1.03	98,000	0.27
30001 to 40000	7	1.80	2,66,240	0.72
40001 to 50000	4	1.03	1,87,160	0.51
50001 to 100000	10	2.57	8,48,110	2.30
100001 and above	12	3.09	3,40,88,740	92.39
Total	389	100.00	3,68,95,000	100.00

Pending GDRs, ADRs etc.	: NIL
Plants Location	: 1. GRM Overseas Limited, Gohana Road, (Near Sugar Mill) Panipat – 132 103 (Haryana) 2. GRM Overseas Limited, Gohana Road, Village Naultha, Panipat – 132 103 (Haryana)
Correspondence Address of the Company	: GRM Overseas Ltd 128, First Floor, Shiva Market, Pitampura, Delhi - 110 034.
Regarding shares	: Abhipra Capital Ltd BM-1 Abhipra Complex, Dilkhush Industrial Estate, A-387 G. T. Karnal Road, Azadpur, Delhi-110033. email Id: info@abhipra.com
Dematerialization of Shares	: The Company's Equity Shares have been allotted ISIN: INE192H01012 both by NSDL & CDSL. 6,38,400 Equity Shares representing 17.30% of the paid-up Equity Capital of the Company have been dematerialized till 31.03.2013

Transfer of Unpaid/Unclaimed Dividend Amount to Investor Education and Protection Fund (IEPF)

As per the provisions of Section 205A read with Section 205C of the Companies Act, 1956, the Company is required to transfer unpaid dividends remaining unclaimed and unpaid for a period of 7 years from the due date(s) to the IEPF set up by the Central Govt. Further in terms of the Ministry of Corporate Affairs (MCA) Circular dated May 10, 2012, the Company has filed necessary details with the office of the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.



All Shareholders, whose dividend is unclaimed pertaining to FY 2006-07 onwards, are requested to lodge their claim with RTA/Company by submitting an application supported by an indemnity on or before their respective date of transfer to IEPF as subsequently no claim will lie against the Company, once this amount is deposited with IEPF. Given below are the details when the unclaimed dividend is due for transfer to IEPF by the Company:

Financial Year	Date of Declaration	Due date of Transfer of IEPF*
2006-07	26.09.2007	24.10.2014
2007-08	30.09.2008	28.10.2015
2008-09	09.09.2009	07.10.2016
2009-10	30.09.2010	28.10.2017
2010-11	30.09.2011	28.10.2018
2011-12	28.09.2012	28.10.2019

*Indicative date, actual may vary.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure & Developments: The year 2012 began with deceleration in economic growth all over the world and these phenomena prevailed almost the whole financial year, and were dominated by the recession in Indian market and political uncertainty. In spite of all the negative outlook, our Company' accelerate the growth and the gross realization and the profitability was improved significantly, despite the increased cost of production, high inflationary cost and other factors which were out of control of the Board.

Opportunities and Threats: Indian rice manufacturing companies continue to face stifling scenario, yet the capabilities and growth potential of your company are providing opportunities to acquire an increased market share. Despite an unfavorable business sentiment prevailing in the domestic as well as in the international market, the company has maintained its freshness, endurance and strength which are very much needed for sustainability and growth.

Internal Control System & their ability: The company has an adequate system of internal control implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws. The system comprises as well-defined organization structure, pre determined authority levels and documented policy guidelines and manuals for delegation of authority. A qualified and independent audit committee of the Board of Directors reviews the internal audit reports and the adequacy of internal controls statements in this management discussion and analysis report are based upon the data available with the company and on certain assumptions having regard to the economic conditions, government policies, political developments etc. within and outside the country. The management does not guarantee the accuracy of the assumptions and the projected performance of the company in future.

For and on behalf of the board

Sd/-

H.C. GARG

Chairman cum Mg. Director

Place : New Delhi

Date : August 14, 2013

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE TO
THE MEMBERS OF GRM OVERSEAS LIMITED**

We have examined the compliance of condition of corporate governance by **GRM OVERSEAS LIMITED** for the year ended on March 31, 2013, as stipulated in clause 49 of the listing agreement of said company with the stock exchanges.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the corporate governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the shareholders / investors grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For PVS & Co.

Chartered Accountants

Firm registration no. 004926N

Sd/-

C.A. SHASHI KANT CHADHA

Partner

M.No. 85777

Place : New Delhi

Date : August 14, 2013



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M/S GRM OVERSEAS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of GRM OVERSEAS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit of the company for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report, comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
- (e) On the basis of the written representation received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For PVS & Co.

Chartered Accountants

Firm Registration No.: 004926N

Place : New Delhi
Date : 31st May, 2013

CA. SHASHI KANT CHADHA

Partner

Membership No.085777

Annexure to the Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date addressed to the members of GRM OVERSEAS LIMITED)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The company is maintaining proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) (a),(b),(c) and (d) The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act and hence provisions of sub-clauses (a), (b), (c) and (d) of Clause 4 (iii) of the order are not applicable to the company.
- (e) The company has, during the year, taken unsecured loans from fifteen parties covered in the register maintained under section 301 of the Act. The amount outstanding as on 31st March, 2013 is Rs. 23,45,32,949/-.
- (f) The terms and conditions of loans are not prima facie prejudicial to the interest of the Company.
- (g) The payments of principal amount and interest are regular during the year.
- (iv) In our opinion and according to the information and explanations given to us, there is an internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that particulars of contracts or arrangements (if any) that need to be entered into the register in pursuance of Section 301 of the Act have been so entered.
- (b) Based on the information and explanations given to us, it is our opinion that these transactions made in pursuance of contracts or agreements have been made at reasonable prices having regard to the prevailing market prices at the relevant time.



- (vi) The Company has not accepted any deposits from the public during the year. Therefore, the provisions of clause (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by company pursuant to the rule made by the Central Government for the maintenance of Cost Accounting Records under section 209(1) (d) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable to it.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The Company has not taken loans from financial institutions and has not issued debentures.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, paragraph 4(xiv) of the order is not applicable to the company.
- (xv) The company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- (xviii) During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the company has not issued any debentures during the year under audit.
- (xx) According to the information and explanations given to us, the Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For PVS & Co.
Chartered Accountants
Firm registration no. 004926N

Place : New Delhi
Date : 31st May, 2013

CA. SHASHI KANT CHADHA
Partner
Membership No. 085777

**BALANCE SHEET AS AT 31ST MARCH, 2013**

PARTICULARS	NOTE NO.	AS AT 31.03.2013 (Rupees)	AS AT 31.03.2012 (Rupees)
Equity and Liabilities			
Share Holders' Funds			
Share Capital	3	36,895,000.00	36,895,000.00
Reserve & Surplus	4	222,106,053.39	202,909,126.89
		<u>259,001,053.39</u>	<u>239,804,126.89</u>
Non-current Liabilities			
Long-term borrowings	5	234,532,949.00	153,226,169.00
Deferred tax liabilities	6	13,557,095.00	12,847,543.00
		<u>248,090,044.00</u>	<u>166,073,712.00</u>
Current liabilities			
Short-term borrowings	7	754,129,371.00	625,862,368.65
Trade payables	8	77,803,792.30	85,739,580.82
Other current liabilities	9	5,751,233.00	4,990,850.00
Short-term provisions	10	10,469,480.00	8,576,058.00
		<u>848,153,876.30</u>	<u>725,168,857.47</u>
Total		<u><u>1,355,244,973.69</u></u>	<u><u>1,131,046,696.36</u></u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11	177,385,988.69	182,793,653.96
Non-current investments	12	20,500.00	2,020,500.00
Long-term loans and advances	13	1,796,419.00	1,796,419.00
Other non-current assets	14	-	1,951,072.00
		<u>179,202,907.69</u>	<u>188,561,644.96</u>
Current assets			
Inventories	15	430,801,290.00	517,093,260.00
Trade receivables	16	713,746,967.30	382,026,588.35
Cash and Bank Balances	17	22,333,965.32	33,745,791.67
Short-term loans and advances	18	2,164,855.83	3,568,491.70
Other Current Assets	19	6,994,987.55	6,050,919.68
		<u>1,176,042,066.00</u>	<u>942,485,051.40</u>
TOTAL		<u><u>1,355,244,973.69</u></u>	<u><u>1,131,046,696.36</u></u>

The notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For **PVS & Co.**

Chartered Accountants

Firm Registration No. 004926N

CA. SHASHI KANT CHADHA

Partner

M.No. 85777

ROHIT GARG

Whole time Director

HUKAM CHAND GARG

Chairman Cum Managing Director

Place : New Delhi

Date : 31st May, 2013

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2013 (Rupees)	YEAR ENDED 31.03.2012 (Rupees)
Income			
Revenue from operations	20	2,706,057,670.12	2,367,034,140.44
Other Income	21	983,868.40	153,728.00
Total Revenue		<u>2,707,041,538.52</u>	<u>2,367,187,868.44</u>
Expenses			
Cost of materials consumed	22	879,059,210.78	768,492,793.77
Purchases of traded goods	23	1,402,971,082.59	892,772,905.39
Changes in inventories of finished goods and traded goods	24	9,862,591.00	299,781,151.00
Employee benefits expense	25	6,081,002.00	5,637,448.00
Finance costs	26	68,116,559.17	70,783,763.36
Depreciation and amortization expense	27	12,310,725.63	11,629,475.85
Other expenses	28	287,330,021.85	282,259,904.26
Total expenses		<u>2,665,731,193.02</u>	<u>2,331,357,441.63</u>
Profit before tax		41,310,345.50	35,830,426.81
Tax expense:			
Current tax		12,770,806.00	10,714,014.00
Deferred tax		709,552.00	1,204,033.00
Profit for the period		<u>27,829,987.50</u>	<u>23,912,379.81</u>
Earnings per equity share	29		
(NOMINAL VALUE PER SHARE RS. 10)			
Basic		7.54	6.48
Diluted		7.54	6.48

The notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For **PVS & Co.**

Chartered Accountants

Firm Registration No. 004926N

CA. SHASHI KANT CHADHA

Partner

M.No. 85777

ROHIT GARG

Whole time Director

HUKAM CHAND GARG

Chairman Cum Managing Director

Place : New Delhi

Date : 31st May, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013**

PARTICULARS	YEAR ENDED 31.03.2013 (Rupees)	YEAR ENDED 31.03.2012 (Rupees)
A. Cash Flow from Operating Activities		
Profit before taxation	41,310,345.50	35,830,426.81
Adjustment for:		
Depreciation and Amortisation Expense	12,310,725.63	11,629,475.85
Gain on sale of Investments	-800,000.00	-
Loss on sale of Tangible Assets (Net)	738,900.00	522,561.00
Finance Costs	68,116,559.17	70,783,763.36
Operating Profit before Working Capital Changes	121,676,530.30	118,766,227.02
Changes in Working Capital:		
Increase/(Decrease) in Trade Payables and Other Liabilities	-7,175,405.52	-3,747,250.49
Decrease in Inventories	86,291,970.00	93,266,855.00
(Increase) in Trade Receivable and Other Assets	-332,168,754.95	-134,254,674.99
	-253,052,190.47	-44,735,070.48
Cash Generated from Operations	-131,375,660.17	74,031,156.54
Direct tax paid	-10,934,387.00	-10,742,688.00
Net Cash Generated From Operating Activities	-142,310,047.17	63,288,468.54
B. Cash Flow from Investing Activities		
Purchase of Tangible Assets	-12,153,804.36	-15,614,253.95
Sale/Receipts of Tangible Assets	4,511,844.00	1,639,982.00
Sale of Investments	2,800,000.00	-
Net Cash Flow from Investing Activities	-4,841,960.36	-13,974,271.95
C. Cash Flow from Financing Activities		
Long term borrowings	81,306,780.00	111,441,987.00
Short term borrowings	128,267,002.35	-66,959,339.87
Finance Costs paid	-68,116,559.17	-70,783,763.36
Dividend paid (Including tax thereon)	-8,576,058.00	-4,288,029.00
Net Cash From Financing Activities	132,881,165.18	-30,589,145.23
Net increase in cash and cash equivalents during the year	-14,270,842.35	18,725,051.36
Cash and Cash equivalents at the beginning of the year	30,009,191.67	11,284,140.31
Cash and Cash equivalents at the end of the year	15,738,349.32	30,009,191.67
Cash and Cash equivalents comprise:		
Cash on hand	253,274.89	255,558.19
Balance with Banks		
On Current Accounts	15,485,074.43	29,753,633.48
(a) The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act, 1956.		

As per our attached report of even date

For and on behalf of the Board of Directors

For **PVS & Co.**

Chartered Accountants

Firm Registration No. 004926N

CA. SHASHI KANT CHADHA

Partner

M.No. 85777

ROHIT GARG

Whole time Director

HUKAM CHAND GARG

Chairman Cum Managing Director

Place : New Delhi

Date : 31st May, 2013

**Notes to financial statements for the year ended 31st March, 2013****1. General Information**

GRM Overseas Limited (the 'Company') is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and is listed on one stock exchange in India. The Company is engaged in the business of manufacturing and trading of Rice.

2. Summary of significant accounting policies**2.1 Basis of preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis and also to comply in all material aspects with the accounting standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of classification of current and non-current assets and liabilities.

2.2 Fixed Assets

Tangible Assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises cost of acquisition, construction and subsequent improvements thereto including taxes and duties (net of credits and draw backs), freight and other incidental expenses related to acquisition and installation.

2.3 Depreciation & Amortisation

Depreciation (including amortisation) is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956.

2.4 Borrowing Cost

Borrowing Costs attributable to the acquisition and construction of qualifying assets, if any, are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

2.5 Impairment Loss

An impairment loss, if any, is recognised whenever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use.

2.6 Inventories

Inventories other than scrap are valued at lower of cost and estimated net realisable value. Cost is determined on FIFO basis. Scrap is valued at net realisable value.

2.7 Transaction in Foreign Currencies**Initial Recognition**

On initial recognition, all foreign currencies transactions are recorded at exchange rates prevailing on the date of the transaction.

Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transaction.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

2.8 Revenue Recognition

Sale of Goods: Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sale taxes.

Sale of Services: Sales are recognized upon the rendering of services.

Other items are recognized on accrual basis.

**2.9 Other Income**

Interest: Interest income is generally recognized on a time proportion basis taking into account the amount outstanding and the rate applicable, when there is reasonable certainty as to realisation.

All other items are recognized on accrual basis.

2.10 Employees Benefits

The undiscounted amount of Short-term Employees Benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service. Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year.

2.11 Government Grants

- (a) Government grants of the nature of promoter' contribution are credited to Capital Reserve.
- (b) Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book values.
- (c) Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with their related costs

2.12 Taxation

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, if any, are reviewed at each Balance Sheet date to re-assess realization.

2.13 Provision for Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

2.14 Cash and Cash Equivalent

In the Cash Flow Statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments, if any, with original maturities of three months or less.

2.15 Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**Notes to Financial Statements for the Year Ended 31st March, 2013***(in Rupees)*

<i>Particulars</i>	<i>As at 31 March 2013</i>		<i>As at 31 March 2012</i>	
	<i>Number</i>	<i>Amount (₹)</i>	<i>Number</i>	<i>Amount (₹)</i>
NOTE 3 - SHARE CAPITAL				
Authorised				
Equity Shares of ₹ 10 Each	7000000	70,000,000	7000000	70,000,000
Issued				
Equity Shares of ₹ 10 Each	3689500	36,895,000	3689500	36,895,000
Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid	3689500	36,895,000	3689500	36,895,000
Total	3689500	36,895,000	3689500	36,895,000

- (a) Rights, preference and restrictions attached to shares issued: The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

- (b) Detail of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

(in Rupees)

<i>Name of Shareholder</i>	<i>As at 31 March 2013</i>		<i>As at 31 March 2012</i>	
	<i>No. of Shares held</i>	<i>% of Holding</i>	<i>No. of Shares held</i>	<i>% of Holding</i>
Hukam Chand Garg	1556200	42.18%	1556200	42.18%
Rohit Garg	1090000	29.54%	1090000	29.54%

(in Rupees)

<i>Particulars</i>	<i>As at 31 March 2013</i>	<i>As at 31 March 2012</i>
--------------------	----------------------------	----------------------------

NOTE 4 - RESERVE AND SURPLUS

Investment Allowance Reserve	16,215.00	16,215.00
Securities Premium Account	6,895,000.00	6,895,000.00
Forfeiture Share Capital Reserve	5,908,495.00	5,908,495.00
Forfeiture Share Premium Reserve	5,908,495.00	5,908,495.00
Revaluation Reserve	19,485,409.00	19,485,409.00
General Reserve	54,457,325.69	54,457,325.69

Surplus in Statement of Profit and Loss

Balance as at the beginning of the year	110,238,187.20	94,901,865.39
Profit for the year	27,829,987.50	23,912,379.81
Less: Appropriations		
Proposed Dividend for the year	7,379,000.00	7,379,000.00
Dividend distribution tax on Proposed dividend	1,254,061.00	1,197,058.00
Balance as at the end of the year	129,435,113.70	110,238,187.20
Total	222,106,053.39	202,909,126.89

**Notes to Financial Statements (Contd.)***(in Rupees)*

<i>Particulars</i>	<i>As at 31 March 2013</i>	<i>As at 31 March 2012</i>
NOTE 5 - LONG-TERM BORROWINGS		
Unsecured :		
Inter-corporate loans (Indian rupee loans)	170,536,130.00	107,285,571.00
Loans from related parties (Indian rupee loans)	63,996,819.00	45,940,598.00
Total	234,532,949.00	153,226,169.00
Indian rupee loans from corporates and related parties carries interest @ 11% per annum. Interest is payable on yearly basis.		
NOTE 6 - DEFERRED TAX LIABILITIES		
Components of Deferred Tax Liability		
Balance as at the beginning of the year	12,847,543.00	11,643,510.00
Difference in Depreciation:		
Depreciation as per Income Tax Laws	14,398,257.91	15,340,474.00
Less: Depreciation as per books of account	12,310,725.63	11,629,475.85
	<u>2,087,532.28</u>	<u>3,710,998.15</u>
Rate of Income Tax	33.990%	32.445%
Deferred Tax Charge	709,552.00	1,204,033.00
Balance as at the end of the year	13,557,095.00	12,847,543.00
NOTE 7 - SHORT TERM BORROWINGS		
Secured:		
Loans repayable on demand		
Cash credits from bank	754,129,371.00	625,862,368.65
Total	754,129,371.00	625,862,368.65
Cash credits from bank are secured by hypothecation of stocks of raw materials, stock in process, finished goods, stores, consumable stores and book debts etc; such credits from bank are also secured by charge on all the present and future assets of the Company and further guaranteed by Directors. The working capital loan is repayable on demand and carries interest @ 9% to 12%.		
NOTE 8 - TRADE PAYABLES		
Trade Payables	77,803,792.30	85,739,580.82
Total	77,803,792.30	85,739,580.82
NOTE 9 - OTHER CURRENT LIABILITIES		
Employees Benefits payable	93,674.00	354,508.00
Statutory dues:		
T.D.S. Payable	3,300,185.00	2,502,433.00
Provident Fund	18,882.00	28,678.00
E.S.I.	4,434.00	6,751.00
Other Payables:		
Electricity Expenses	2,266,558.00	1,881,480.00
Audit & Legal Fees	67,500.00	135,000.00
Printing & Sticking	-	82,000.00
Total	5,751,233.00	4,990,850.00


Notes to Financial Statements (Contd.)
(in Rupees)

<i>Particulars</i>	<i>As at 31 March 2013</i>	<i>As at 31 March 2012</i>
NOTE 10 - SHORT TERM PROVISIONS		
Provision for Income Tax (Netted off against Advance Tax and T.D.S. Receivable)	1,836,419.00	-
Provision for proposed dividend on Equity Shares	7,379,000.00	7,379,000.00
Provision for dividend distribution tax thereon	1,254,061.00	1,197,058.00
Total	10,469,480.00	8,576,058.00

NOTE 11 : TANGIBLE ASSETS

Fixed Assets	Gross Block				Depreciation/ Amortisation For the year	Gross Block	
	Balance as at 31st March 2012	Additions during the year	Disposal/ adustment during the year	Balance as at 31st March 2013		As at 31st March 2013	As at 31st March 2012
Land (Freehold)	22,816,328.00	-	-	22,816,328.00	-	22,816,328.00	22,816,328.00
Factory Building	23,005,612.29	-	-	23,005,612.29	768,387.45	23,005,612.29	23,005,612.29
Tripals	7,123,342.34	-	-	7,123,342.34	376,112.48	7,123,342.34	7,123,342.34
Plant & Equipments	177,445,386.68	12,067,704.36	3,811,844.00	185,701,247.04	9,481,113.61	185,701,247.04	177,445,386.68
Office Equipments	1,019,898.65	-	-	1,019,898.65	64,559.58	1,019,898.65	1,019,898.65
Water Treatment Plant	643,350.00	-	-	643,350.00	33,968.88	643,350.00	643,350.00
Computer	117,978.00	14,200.00	-	132,178.00	7,598.53	132,178.00	117,978.00
Furniture and Fixtures	333,365.00	20,900.00	-	354,265.00	21,424.73	354,265.00	333,365.00
Motor Car	15,576,657.95	-	1,920,850.00	13,655,807.95	1,297,301.76	13,655,807.95	15,576,657.95
Scooter	74,670.00	51,000.00	-	125,670.00	9,257.31	125,670.00	74,670.00
Cycle	4,900.00	-	-	4,900.00	465.50	4,900.00	4,900.00
Motor Trucks	1,595,569.00	-	-	1,595,569.00	151,579.06	1,595,569.00	1,595,569.00
Tractor	1,041,650.00	-	-	1,041,650.00	98,956.75	1,041,650.00	1,041,650.00
Total	250,798,707.91	12,153,804.36	5,732,694.00	257,219,818.27	12,310,725.63	257,219,818.27	250,798,707.91

(in Rupees)

<i>Particulars</i>	<i>As at 31 March 2013</i>	<i>As at 31 March 2012</i>
NOTE 12 - NON-CURRENT INVESTMENTS		
Long-term - Unquoted (valued at cost unless stated otherwise)		
Investment in Equity Shares:		
Paradise Academy Pvt. Ltd. (31st March, 2012: 20,000) Equity Shares of ₹ 10/- each fully paid	-	2,000,000.00
Others		
Small Saving Account - GPO	20,500.00	20,500.00
Total	20,500.00	2,020,500.00

NOTE 13 - LONG TERM LOANS AND ADVANCES
Unsecured, considered good unless stated
otherwise

Security Deposits	1,783,419.00	1,783,419.00
Post Office/N.S.C. etc.	13,000.00	13,000.00
Total	1,796,419.00	1,796,419.00

**Notes to Financial Statements (Contd.)***(in Rupees)*

<i>Particulars</i>	<i>As at 31 March 2013</i>	<i>As at 31 March 2012</i>
NOTE 14 - OTHER NON-CURRENT ASSETS		
Unsecured, considered good unless stated otherwise		
Long term deposits with bank with maturity period more than 12 months:		
Margin money deposits	-	1,875,199.00
Interest accrued on fixed deposits	-	75,873.00
Total	-	1,951,072.00
NOTE 15 - INVENTORIES		
Raw Materials and components	171,941,813.00	248,371,192.00
Finished goods	144,119,795.00	166,374,798.00
Traded goods	114,739,682.00	102,347,270.00
Total	430,801,290.00	517,093,260.00
NOTE 16 - TRADE RECEIVABLES		
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they became due for payment	9,136,220.00	10,766,336.00
	9,136,220.00	10,766,336.00
Other Receivables	704,610,747.30	371,260,252.35
	704,610,747.30	371,260,252.35
Total	713,746,967.30	382,026,588.35
NOTE 17 - CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
Cash on hand	253,274.89	255,558.19
Bank Balances		
On current accounts	15,485,074.43	29,753,633.48
	15,738,349.32	30,009,191.67
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months:		
Margin money deposits	4,720,417.00	3,736,600.00
Bank deposits with more than 12 months maturity	1,875,199.00	-
	6,595,616.00	3,736,600.00
Total	22,333,965.32	33,745,791.67
NOTE 18 - SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good unless stated otherwise		
Advances against procurement of goods, services etc.	1,014,867.83	2,590,528.70
Other Loans and Advances:		
Prepaid Insurance	765,625.00	549,340.00
Income Tax Refundable	384,363.00	428,623.00
Total	2,164,855.83	3,568,491.70



Notes to Financial Statements (Contd.)

(in Rupees)

<i>Particulars</i>	<i>As at 31 March 2013</i>	<i>As at 31 March 2012</i>
NOTE 19 - OTHER CURRENT ASSETS		
Unsecured, considered good unless stated otherwise		
V.A.T. Receivable	6,401,603.55	5,794,626.68
Interest accrued on deposits	593,384.00	256,293.00
Total	6,994,987.55	6,050,919.68
<hr/>		
<i>Particulars</i>	<i>Year Ended 31 March 2013</i>	<i>Year Ended 31 March 2012</i>
NOTE 20 - REVENUE FROM OPERATIONS		
(i) Sale of products		
Rice	2,668,186,644.58	2,326,182,959.22
Others	37,633,590.54	40,851,181.22
(ii) Sale of services		
Job Work	237,435.00	-
Total	2,706,057,670.12	2,367,034,140.44
NOTE 21 - OTHER INCOME		
Gain on sale of tangible asset	-	153,728.00
Profit on sale of investments	800,000.00	-
Agriculture Income	183,868.40	-
Total	983,868.40	153,728.00
NOTE 22 - COST OF MATERIALS CONSUMED		
Opening Stock	248,371,192.00	41,856,896.00
Add : Purchases	802,629,831.78	975,007,089.77
Total	1,051,001,023.78	1,016,863,985.77
Deduct : Closing Stock	171,941,813.00	248,371,192.00
Cost of materials consumed	879,059,210.78	768,492,793.77
NOTE 23 - PURCHASE OF TRADED GOODS		
Rice	1,402,971,082.59	887,843,175.19
Others	-	4,929,730.20
Total	1,402,971,082.59	892,772,905.39
NOTE 24 - CHANGE IN INVENTORIES OF FINISHED GOODS AND TRADED GOODS		
Finished Goods		
Opening Stock	166,374,798.00	446,570,419.00
Deduct : Closing Stock	144,119,795.00	166,374,798.00
	22,255,003.00	280,195,621.00
Traded Goods		
Opening Stock	102,347,270.00	121,932,800.00
Deduct : Closing Stock	114,739,682.00	102,347,270.00
	-12,392,412.00	19,585,530.00
(Increase) / Decrease in stocks	9,862,591.00	299,781,151.00

**Notes to Financial Statements (Contd.)***(in Rupees)*

<i>Particulars</i>	<i>Year Ended 31 March 2013</i>	<i>Year Ended 31 March 2012</i>
NOTE 25 - EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages and Bonus	5,788,341.00	5,237,807.00
Contributions to -		
(i) Provident fund	239,427.00	323,328.00
(ii) E.S.I.	53,234.00	76,313.00
Total	6,081,002.00	5,637,448.00
NOTE 26 - FINANCE COSTS		
Interest expenses	62,504,968.00	69,742,405.00
Bank Charges	5,611,591.17	1,041,358.36
Total	68,116,559.17	70,783,763.36
NOTE 27 - DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets	12,310,725.63	11,629,475.85
Total	12,310,725.63	11,629,475.85
NOTE 28 - OTHER EXPENSES		
Power and Fuel	36,063,289.00	34,858,799.00
Repairs to Machinery	8,295,742.33	7,221,991.69
Consumption of Stores and Spare Parts	5,739,028.11	5,158,183.65
Electric Repairs	903,255.05	876,360.20
Repairs to Building	549,590.00	147,175.00
Rent	1,938,000.00	1,974,000.00
Rates and Taxes	16,335,283.00	30,588,403.00
Insurance	2,784,311.50	2,361,780.80
Freight, Transport and Delivery	74,832,740.10	78,238,082.09
Shipping & Forwarding	108,220,951.19	92,625,930.32
Packing Expenses	12,861,130.10	10,739,239.61
Rebate & Discounts	2,625,980.47	1,295,310.09
Travelling Expenses	1,308,959.00	1,010,092.00
Entertainment Expenses	139,800.00	115,800.00
Conveyance Expenses	141,600.00	117,600.00
Printing & Stationery	90,234.00	71,877.00
Postage & Courier	176,343.00	251,778.00
Advertisement	45,336.00	179,645.00
Payment to auditor (Refer details below)	75,000.00	75,000.00
Professional Charges	392,664.00	326,100.00
Commission	11,308,340.00	11,450,616.00
Telephone Expenses	608,896.00	397,987.83
Vehicles Running Expenses	575,975.00	1,041,917.00
Income Tax / Wealth Tax	98,350.00	175,480.00
Loss on sale of tangible assets	738,900.00	676,289.00
Miscellaneous Expenses	480,324.00	284,466.98
Total	287,330,021.85	282,259,904.26

**Notes to Financial Statements (Contd.)***(in Rupees)*

<i>Particulars</i>	<i>Year Ended 31 March 2013</i>	<i>Year Ended 31 March 2012</i>
Payment to auditor		
As auditor:		
Audit Fee	50,000.00	50,000.00
Tax Audit Fee	15,000.00	15,000.00
Other matters (Certificates etc.)	10,000.00	10,000.00
Total	75,000.00	75,000.00

NOTE 29 - COMPUTATION OF EARNING PER EQUITY SHARE**(I) Basic**

(a) (i) Number of Equity Shares at the beginning of the year	3,689,500.00	3,689,500.00
(ii) Number of Equity Shares issued during the year	–	–
(iii) Number of Equity Shares at the end of the year	3,689,500.00	3,689,500.00
(iv) Weighted average number of Equity Shares outstanding during the year	3,689,500.00	3,689,500.00
(v) Face Value of each Equity Share ₹	10.00	10.00
(b) Profit after tax attributable to Equity Shareholders: Profit for the period	27,829,987.50	23,912,379.81
(c) Basic Earning per share [(b)/(a)(iv)] - ₹	7.54	6.48

(II) Diluted

(a) Dilutive Potential Equity Shares	–	–
(b) Diluted Earning per Share [same as I (c) above]	7.54	6.48

NOTE 30 - PROPOSED DIVIDEND

The dividend proposed for the year is as follows:

On Equity Shares of ₹ 10/- each

Amount of dividend proposed	7,379,000.00	7,379,000.00
Dividend per Equity Share	₹ 2/- per Share	₹ 2/- per Share

NOTE 31 - EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)

Revenue from Export of Goods	2,465,294,003.33	2,123,149,778.31
Total	2,465,294,003.33	2,123,149,778.31


NOTE 32 - QUANTITATIVE INFORMATION
Stock, production, purchase and turnover (Quantities in Qtls. and value in Rupees)

Particulars	Current Year		Previous Year	
	Quantity	Value	Quantity	Value
Opening Stock				
Rice	97,077.000	265,075,199.00	162,108.848	567,056,750.00
Paddy	160,072.710	238,417,975.00	13,447.970	34,225,084.00
Rice Bran	934.790	1,083,419.00	1,498.000	1,446,469.00
Packing Materials	–	9,953,217.00	–	7,631,812.00
Others	–	2,563,450.00	–	–
Total		517,093,260.00		610,360,115.00
Production/Purchase				
Rice (Produced)	222,744.000	–	230,514.300	–
Rice (Purchased)	287,394.600	1,451,793,745.59	230,063.140	887,843,175.19
Paddy (Purchased)	277,703.960	733,584,593.82	514,418.310	887,666,934.14
Sales				
Rice	502,394.671	2,727,646,245.49	525,337.499	2,326,182,959.22
Raw Materials Consumed				
Paddy (Milled)	347,958.840	–	367,793.570	–
Closing Stock				
Rice	104,217.129	253,672,357.00	97,077.000	265,075,199.00
Paddy	89,817.830	164,815,718.00	160,072.710	238,417,975.00
Rice Bran	2,454.790	2,623,670.00	934.790	1,083,419.00
Packing Materials	–	7,126,095.00	–	9,953,217.00
Others	–	2,563,450.00	–	2,563,450.00
Total		430,801,290.00		517,093,260.00
Shortages :				
Rice	603.800	–	271.789	–

NOTE 33
Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act.

Particulars	Loans taken	Repayment	Interest Accrued	Amount owed by the parties
a. Loans taken and repayment thereof				
<i>Key management personnel or their relatives:</i>				
Hukam Chand Garg	97,50,000	28,00,000	26,41,547	3,47,81,923
Rohit Garg	81,80,000	1,81,00,000	7,60,994	29,55,506
Atul Garg	2,74,32,300	1,05,00,000	6,91,380	2,62,59,390
Jugpati Devi	2,33,00,000	2,49,79,220	16,79,220	Nil
Hukam Chand Garg HUF	45,00,000	48,45,160	3,45,160	Nil
Rohit Garg HUF	14,25,000	15,05,597	80,597	Nil
Atul Kumar Garg HUF	16,25,000	17,21,627	96,627	Nil
<i>Companies in which directors or their relatives are interested:</i>				
Alfa Technobuild Pvt. Ltd.	Nil	4,70,800	16,60,357	1,81,51,924
HA Buildtech Pvt. Ltd.	Nil	5,73,800	20,85,419	2,27,86,811
Paras Infraprojects Pvt. Ltd.	Nil	7,89,500	28,54,886	3,12,02,609

**NOTE 33**

Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act. (Contd.)

Particulars	Loans taken	Repayment	Interest Accrued	Amount owed by the parties
Prestige Infraprojects Pvt. Ltd.	Nil	5,05,800	15,93,940	1,74,01,827
Samarth Technobuild Pvt. Ltd.	Nil	6,65,000	22,91,236	2,50,22,375
Eros Agro & Farms Pvt. Ltd.	5,59,31,024	76,01,188	Nil	4,83,29,836
Rohit Buildtech Pvt. Ltd.	24,25,000	Nil	Nil	24,25,000
Shine Technobuild Pvt. Ltd.	49,25,000	91,200	1,80,985	52,15,748

b. Remuneration to key managerial personnel

Particulars	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Mr. Hukam Chand Garg (Managing Director)	9,60,000	9,60,000
Mr. Rohit Garg (Whole time Director)	9,60,000	9,60,000
Total	19,20,000	19,20,000

c. Rent to key management personnel or their relatives

Particulars	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Hukam Chand Garg	4,80,000	4,80,000
Rohit Garg	2,16,000	2,16,000
Hukam Chand Garg HUF	3,60,000	3,60,000
Jugpati Devi	4,80,000	4,80,000
Total	15,36,000	15,36,000

NOTE 34

No information has been received by the Company from the creditors whether they are covered under Micro, Small and Medium Enterprises Development Act, 2006.

Signature to Note '1' to '34'

As per our attached report of even date

For and on behalf of the Board of Directors

For **PVS & Co.**

Chartered Accountants

Firm Registration No. 004926N

CA. SHASHI KANT CHADHA

Partner

M.No. 85777

ROHIT GARG

Whole time Director

HUKAM CHAND GARG

Chairman Cum Managing Director

Place : New Delhi

Date : 31st May, 2013



GRM OVERSEAS LIMITED

Regd. Office: 128, First Floor, Shiva Market, Pitampura, Delhi - 110 034

ATTENDANCE SLIP

DP ID / Client ID

Please complete this attendance slip and hand it over at the entrance counter.

NAME OF MEMBER

FOLIO NUMBER/DP ID & CLIENT ID

NO. OF SHARES

I/We hereby record my/our presence at the 19th Annual General Meeting of the Company to be held on Monday, the 30th September, 2013 at 9.30 A.M. at 128, First Floor, Shiva Market, Pitampura, Delhi - 110 034.

NAME OF THE PROXY

SIGN. OF MEMBER/PROXY

NOTE : NO GIFT SHALL BE DISTRIBUTED AT THE MEETING.



GRM OVERSEAS LIMITED

Regd. Office: 128, First Floor, Shiva Market, Pitampura, Delhi - 110 034

PROXY FORM

FOLIO NUMBER/DP ID & CLIENT ID

NO. OF SHARES

I/We _____

R/o _____

being a Member/Members of the above mentioned Company, hereby appoint Sh./Smt. _____

R/o _____

failing him, Sh./Smt. _____

R/o _____

as my/our Proxy to attend and vote for me/us (in the event of Poll) on my/our behalf at the 19th Annual General Meeting of the Company to be held on Monday, the 30th September, 2013 at 9.30 A.M. at 128, Shiva Market, Pitam Pura, Delhi - 110 034 or at any adjournment thereof.

Signed this _____ day of _____ 2013. Signature _____

Afix
Rs. 1/-
Revenue
Stamp

Note :

THE PROXIES MUST REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE AFORESAID MEETING.

BOOK-POST

FIRST IMPRESSION: 9811224048

If undelivered please return to :
GRM OVERSEAS LIMITED
128, First Floor, Shiva Market,
Pitampura, Delhi - 110 034

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange:

1. Name of the company	GRM Overseas Limited
2. Annual financial statements for the year ended	31 st March, 2013
3. Type of Audit observation	✓ Un-qualified / Matter of Emphasis
4. Frequency of observation	Frequency of observation Whether appeared first time...../ repetitive...../ since how long period N.A.
5. To be signed by- CEO/Managing Director Auditor of the company Audit Committee Chairman	<p align="center">For GRM Overseas Ltd.</p> <p align="center"><i>[Signature]</i> Director</p>  <p align="center"><i>[Signature]</i> GRM Overseas Ltd. Chairman Audit Committee</p>

Place: New Delhi

Date: 4/9/13