



# **GANESH BENZOPLAST LIMITED**

**27<sup>th</sup> Annual Report 2013-2014**

CIN No. L24200MH1986PLC039836



# GANESH BENZOPLAST LIMITED

CIN No. L24200MH1986PLC039836

## 27<sup>th</sup> Annual Report 2013-2014

ANNUAL GENERAL MEETING  
Tuesday the 30th September, 2014  
At 10.00 A.M

At Shri Rajasthan Recreation Club  
J.B.Nagar, Plot No. 3, Andheri ( East ),  
Mumbai - 400 059

As a measure of economy, copies of the Annual Report will not be distributed at Annual General Meeting. Share holders are requested to kindly bring their copy to the Meeting.

### BOARD OF DIRECTORS

Shri Rishi R. Pilani	Chairman and Managing Director
Shri Raunak R.Pilani	Director
Shri Nalinakshan K.	Independent Director
Shri Kanahiyalal Thussu	Independent Director (up to 1st October, 2013)
Shri Rameshkumar D.Punjab	Independent Director ( w.e.f 13th February, 2014 )

### AUDITORS

M/s Samria & Co.,  
Chartered Accountants,  
Mumbai.

### BANKERS

HDFC Bank  
Indian Overseas Bank  
Central Bank of India

### SOLICITORS

M/s Ashwani Dhatwalia & Co.

### REGISTERED OFFICE

Dina Building, 1st Floor,  
53, Maharshi Karve Road,  
Marine Lines, Mumbai- 400 002.  
Tele Fax: 22001928.

### CORPORATE OFFICE

A1/A2 Gurudatt C.H.S Ltd,  
Ajit Nagar, Near Jankalyan Bank, J.B.Nagar  
Andheri (E) Mumbai – 400 059  
Telephone no. 28390694

### WORKS

- Chemical Factory at D-5/2 & D-21/2/2  
M.I.D.C Industrial Area, Tarapur Dist Thane (Maharashtra)
- Terminal at Jawaharlal Nehru Port
- Terminal at Mormugoa Port
- Terminal at Cochin

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## NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of **M/s. GANESH BENZOPLAST LIMITED** will be held on **Tuesday, 30th September, 2014 at 10.00 a.m.** at Shri Rajasthan Recreation Club, Plot No. 3, J.B. Nagar, Andheri – East, Mumbai – 400 059, to transact the following business :-

### ORDINARY BUSINESS :-

- To receive, consider and adopt the Audited Financial Statement including the Balance Sheet of the Company as at 31st March 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Shri Raunak R. Pilani, who retires by rotation and being eligible, offers himself, for re-appointment.
- To re-appoint Auditors to hold office from the conclusion of the Twenty-Seventh Annual General Meeting till the conclusion of the Thirty-Second Annual General Meeting and to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies ( Audit and Auditors ) Rules 2014 ( including any statutory modification(s) or re-enactment thereof for the time being in force ) and as recommended by the Audit Committee, M/s. Samria & Co., Chartered Accountants, ( Firm Regn.No.109043W ), who hold office till the conclusion of the Twenty-Seventh Annual General Meeting and are eligible for re-appointment, be and are hereby re-appointed as Statutory Auditors, to hold Office from the conclusion of the Twenty-Seventh Annual General Meeting till the conclusion of the Thirty-Second Annual General Meeting.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to fix the remuneration payable to Statutory Auditors as may be recommended by the Audit Committee”

### SPECIAL BUSINESS

- To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointing Shri. Rameshkumar D. Punjabi as Independent Director of the Company:-

“RESOLVED THAT pursuant to the provisions of Sections 149,152 read with Schedule IV to the Companies Act, 2013 (Act) and any other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Rameshkumar D. Punjabi (DIN 0324442) Non-Executive Director of the Company, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and is eligible for appointment at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 (Three) consecutive years commencing from 30th September, 2014.”

- To consider and, if thought fit, to pass, with or without modification(s) the following as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under ( including any statutory modification(s) or re-enactment thereof for the time being in force ), Shri Nalinakshan Kolangaradath ( DIN : 00114069 ), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 ( 6 ) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Independent Director, being so eligible, be appointed as an Independent Director of the Company to hold office for a term of 3 ( Three ) consecutive years commencing from 30th September, 2014.”

- To consider and if thought fit, to pass, with or without modification(s) the following as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (“the Act”), the companies ( Appointment and Remuneration of Managerial Personnel ) Rules, 2014 ( including any statutory modification(s) or re-enactment thereof for the time being in force ) and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded to the appointment of Shri Rishi R. Pilani ( DIN : 00901627 ) as a Managing Director of the Company designated as Chairman and Managing Director for a period of 5 ( Five ) years with effect from 30th September, 2014 to 29th September, 2019”

“FURTHER RESOLVED THAT the approval of the Company be accorded to the Board of Directors of the Company ( hereinafter referred to as ‘Board’ which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution ) to revise the salary payable to Shri Rishi R. Pilani, Chairman and Managing Director (hereinafter referred to as “the Appointee”) on yearly basis within the terms and conditions of the said appointment in such manner so as to not exceed the limits specified in Schedule V and other applicable provision of the Companies Act, 2013.”

FURTHER RESOLVED THAT the terms and conditions of appointment and remuneration payable to the Appointee is as follows:-

#### A Period of Appointment :

30.09.2014 to 29.09.2019 ( 5 ) ( Five ) years

#### B Salary : ₹ 3,50,000 ( Rupees Three Lacs and Fifty Thousand only ) per month with an annual revision.

#### C. The Total Remuneration shall not exceed the limits specified in Schedule V and all other applicable provisions of the Companies Act, 2013 (“the Act”), the companies ( Appointment and Remuneration of Managerial Personnel ) Rules, 2014.

#### D. Termination : The appointment is liable for termination by either party giving 3 months’ notice in writing to the other.

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"FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Board be authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and further to execute all necessary documents, applications, returns and writings as may be necessary, proper desirable or expedient."

By Order of the Board

Place: Mumbai

**Rishi R. Pilani**

Date: 14th August, 2014

Chairman & Managing Director

## Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.

2. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, 20th September, 2014 to Tuesday 30th September 2014. ( Both days Inclusive )** for the purpose of the Annual General Meeting of the Company.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of this Notice.
5. The Members are requested to :
  - (a) Notice of change of address, mandates, nomination if any, sent to the Company's Share Department at A1/A2 Gurudatt CHS Ltd. J. B. Nagar, Andheri East, Mumbai - 59 in respect of Shares held in physical forms
  - (b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
  - (c) Non-Resident Indian Members are requested to inform the Company's Corporate Office immediately of the change in residential status on return to India for permanent settlement.
  - (d) Register their email address and changes therein from time to time with the Company's Corporate Office for shares held in physical form and with their respective Depository Participants for shares held in demat form.
6. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.
7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Company's Corporate Office and have it duly filled and sent back to us.

## 8. Re-appointment of Directors:

Section 152 of the Companies Act, 2013, provides inter alia that unless the articles provide for the retirement of all directors at every Annual General Meeting, not less than two-thirds of the total number of directors of a public company, or a private company which is a subsidiary of a public company, shall (a) be persons whose period of office is liable to determination by retirement of directors by rotation; and (b) save as otherwise expressly provided in the Act, be appointed by the Company in the general meeting.

9. MCA, Government of India, through its Circulars Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011, has allowed companies to send documents viz. Notices of meetings, Annual Reports and other shareholder communication to their shareholders electronically as part of its Green Initiatives in Corporate Governance. By Order of the Board of Directors, The Company supports the measures in the Green Initiative. Members are also requested to join the Company in this initiative by registering their Email ID with the Company or its RTA.

## 10. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Start Dt: 25/09/2014 Start Time: 9.00 a.m. and ends on End Dt: 26/09/2014 End Time: 6.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio / client id number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> Ganesh Benzoplast Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be

displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders ( i.e. other than Individuals, HUF, NRI etc. ) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney ( POA ) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xx) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 22, 2014.
- (xxi) Ms. Avani Kirti Visariya, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company
11. In case of those Members, who do not have access to e-voting facility, they can use the assent/dissent attached herewith. The said form may also be downloaded from our website [www.gblinfra.com](http://www.gblinfra.com) and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and send the form to reach Ms. Avani Kirti Visariya Scrutinizer appointed by the Company at the registered office of the Company on or before September 14, 2014 (6.00 pm).
12. Members can choose only one of the two options, namely e-voting or voting through physical assent/ dissent form. In case the votes are casted through both the formats, then

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votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered, subject to the assent/dissent form being found to be valid.

13. The Results of e-voting, physical assent / dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.gblinfra.com** and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1 pm on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company

By Order of the Board

Place: Mumbai

**Rishi R. Pilani**

Date: 14th August, 2014

Chairman & Managing Director

## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

### **ITEM NO.4**

As per Section 149 of the Companies Act, 2013 ("the Act"), the Company should have at least one Third of the total number of Directors as Independent Directors on the Board of the Company. An Independent Director shall hold office for term of up to Five consecutive years on the Board of a Company and no Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the Independent Directors.

As per Clause 49(I)(A) of the Listing Agreement, in case the Chairman is an Executive Director or a Promoter, at least one-half of the Board of the Company shall consist of Independent Directors.

Pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 13<sup>th</sup> February, 2014 appointed Shri. Rameshkumar D. Punjabi as an Additional Director of the Company with effect from 13<sup>th</sup> February, 2014. He holds office upto the date of the ensuing Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and Article 120 of the Articles of Association of the Company. The Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company.

Shri. Rameshkumar D. Punjabi a Director hold B.Tech (Chemicals) from the Indian Institute of Technology of Bombay and expertise in Technical and Financial area and is also a Director in M/s Futuristic Offshore Services and Chemical Ltd.

Shri. Rameshkumar D. Punjabi does not hold any Ordinary (Equity) Share in the Company.

The Board is of the view that Shri. Rameshkumar D. Punjabi's knowledge and experience will be immense benefit and value to the Company and, therefore recommends his appointment to the Members.

Except for Shri. Rameshkumar D. Punjabi, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and relatives of the Directors and KMP are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.4 of the Notice except to the extent to the extent of their shareholding interest, if any, in the Company.

### **ITEM NO.5**

As per Section 149 of the Companies Act, 2013 ("the Act"), the Company should have at least one Third of the total number of Directors as Independent Directors on the Board of the Company. An Independent Director shall hold office for term of up to Five consecutive years on the Board of a Company and no Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the Independent Directors.

Shri. Nalinakshan K. inducted to the Board of the Company as a Non-Executive (Independent) in year 2007. Shri. Nalinakshan K. was liable to retire by rotation at the ensuing AGM. Notice under Section 160 of the Act have been received from members proposing their candidature for the office of Directors of Company.

Pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, the Board of Directors at its Meeting held on May 30, 2014 appointed Shri. Nalinakshan K. as a Director of the Company for further period of Three consecutive years commencing from 30<sup>th</sup> September, 2014.

Shri. Nalinakshan K. does not hold any Ordinary (Equity) Share in the Company.

Except for Shri. Nalinakshan K., none of the other Directors, Key Managerial Personnel ("KMP") of the Company and relatives of the Directors and KMP are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.5 of the Notice except to the extent to the extent of their shareholding interest, if any, in the Company.

**ITEM NO.6**

Mr. Rishi Pilani was appointed on the Board of the Company on 18.10.2006. His qualification includes B.E(Chem),M.S(Finance),M.S (Ind.Eng) Since his appointment , he is paying a pivotal role in the management of the Company. His experience on Finance and Technical aspects have been a great asset of the Company. Mr Rishi Pilani is retiring at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors of the Company at its meeting held on May 30,2014 has recommended the appointment of Mr.Rishi R. Pilani, as Chairman and Managing Director of the Company.

The Remuneration Committee comprising of independent Director namely Shri Nalinakshan K., Shri Rameshkumar D. Punjabi approved and recommended the remuneration payable to Mr. Rishi R.Pilani as set out in the body of the resolution which the Board has agreed to offer by his resolution dated May 30, 2014. The remuneration is within the ceiling limits of remuneration under applicable statutory provisions and schedule XII of the Companies Act,1956. The Company has not made any default in repayment of any of its debts (including deposits) or debentures or interest payable thereon for continues period of 30 days in the preceding financial year before the date of appointment of the Managing Director.

The Board recommends this special resolution for your approval. Shri Rishi Pilani is interested in the resolution as it pertains to his appointment as Chairman and Managing Director and remuneration payable to him. Non of the other Directors of the Company is in any

way concerned or interested in this resolution.

Information required on the matter pursuant to Section II 1(B)(iv), part II of Schedule XII to the Act is annexed herewith.

By Order of the Board

Place: Mumbai  
Date: 14th August, 2014

**Rishi R.Pilani**  
Chairman & Managing Director

**Details of the Directors Seeking Re Appointment  
At the Annual General Meeting.**

**(Pursuant to Clause 49 IV(G) of the Listing Agreement )**

<b>Name of the Director</b>	<b>Shri Raunak R. Pilani</b>
Date of Birth	11-11-1987
Date of Appointment	28-06-2008
Expertise in specific Functional Area	IT Systems Management & Technical
Qualification	M. Tech ( Computer Science ) IIT
No of shares held in the Company	Nil
Other Director ships	1 (One)
Chairman / Member of the Board Committees of other Companies	Nil
Relations with other Directors	Cousin Brother of Shri Rishi Pilani ( Chairman & Managing Director )

By Order of the Board

Place: Mumbai  
Date: 14th August, 2014

**Rishi R.Pilani**  
Chairman & Managing Director

## DIRECTORS' REPORT TO THE SHAREHOLDERS

To The Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report on the business and operations of the Company together with the Audited Accounts for the year ended March 31, 2014.

### FINANCIAL RESULTS

	(₹ In Millions)	(₹ In Millions)
	2013-14	2012-13
Gross Revenue from Operations	1,194.95	1,228.21
Less:- Excise duty	41.14	44.32
Net Revenue from operation	1,153.82	1,183.89
Other Income	30.31	22.74
Profit /(Loss) before Depreciation, Interest, Taxation and Exceptional items	392.61	420.18
Less: Depreciation	(186.61)	(180.93)
Profit/(Loss) Before Interest, Taxation and Exceptional items	206.01	239.25
Less: Interest	(135.17)	(142.85)
Profit /(Loss) before Exceptional items and Taxation	70.83	96.40
Add/(Less):- Exceptional / prior Period income/(Expense)	(69.55)	(9.12)
Profit /(Loss ) before Taxation after Exceptional Item	1.28	87.28

The Gross revenue from Operations was ₹ 1194.95Millions for the year under review as against ₹ 1228.21Millions for the previous year.

The operations for the year resulted in to a net profit of ₹ 1.28 Millions as against net profit of ₹ 87.28 Millions in the previous year.

### DIVIDEND

In view of the insufficiency of profit during the year under review, your directors do not recommend any dividend.

### CAPITAL EXPENDITURE:

In Infrastructure Division, the Company was in the process of up gradation of Storage Tanks at Goa, Cochin and JNPT. Company has also incurred a major capital expenditure at chemical plant. This capital expenditure will increase the production capacity as well as efficiency at plant level.

### FUTURE OUTLOOK :

Performance of the company is improving over the past years and directors are hopeful for better performance in the current year. The Liquid Storage Terminal (LST) division is running at Satisfactory level, also chemical division is showing better capacity utilization compared to previous financial year. The company is vigorously pursuing various steps to improve sales, coupled with cost conservation measures to improve profitability in coming years.

### INCOME TAX ASSESSMENTS :

The company's Income tax assessment has been completed up to the A.Y.2011-12 and assessment for the A.Y.2012-13 is under process

### PERSONNEL AND OTHER INFORMATION :

Employee relations remained harmonious during the year and your board would like to place on record sincere appreciation for sustained efforts and valued contribution towards growth initiative made by all the employees of company. For the particulars of employees as required to be disclosed in the Directors Report in accordance with the Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 as amended from time to time, the directors state that the company does not have any employee,

(i) Who was in receipt of remuneration exceeding ₹ 60,00,000/- p.a. in the aggregate;

OR

(ii) Who if employed for part of the year was in receipt of remuneration for any part of that year at a rate which in the aggregate was not more than ₹ 5,00,000/- p.m.;

OR

(iii) Who was in receipt of a remuneration higher than that of the Managing Director, whole time Director or Manager and was holding more than 2% of the equity shares of the Company and hence the statements required under section 217 (2A) (a) is not annexed. However, in terms of Section 136 ( 1 ) of the Companies Act, 2013, statements under said section the Directors' Report and Accounts are being sent to all the members of the company excluding the Statement of Particulars of Employees.

**There was a fire accident at the Chemical Manufacturing Units of the company on 30.4.2013. Claim has been lodged with insurance company and the same is being pursued.**

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

The information required under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies ( Disclosure of Particulars in the Report of the Board of Directors ) Rules, 1988 are annexed hereto as Annexure to the Director Report "A".

### REPORT ON CORPORATE GOVERNANCE :

As per Clause 49 of the Listing Agreements, a report on Corporate Governance is appended along with a certificate of compliance from the Practicing Company Secretary, with Management Discussion and Analysis Statement.

### AUDITORS :

M/s Samria & Co., Chartered Accountants, Mumbai Firm Registration No.: 109043W are proposed to be appointed as Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty Second Annual General Meeting of the company held thereafter, subject to ratification of the appointment by the members at every Annual General Meeting held after the ensuing AGM.

As required under Section 139 of the Companies Act, 2013, the company has obtained a written consent from M/s. Samria & Co., Chartered Accountants, to such appointment and also a Certificate to the effect that their appointment, if made, would be in accordance with Section 139 ( 1 ) of the Companies Act, 2013 and rules made thereunder as may be applicable.

### AUDITORS REPORT :

The detailed explanations on Auditor's qualification in Audit Report are annexed hereto in Annexure to the Director Report "D".



**CASH FLOW STATEMENT :**

In conformity with the provision of Clause 32 of the Listing Agreement(s) the cash flow statement for the year ended 31st March 2014 is annexed hereto.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

As required under section 217 (2AA) of the Companies Act, 1956 based on the representations received from the Operations Management, the Directors state that:

- (I) While preparing annual accounts, the applicable accounting standards have been followed and there are no material departures ;
- (II) The accounting policies as mentioned in Note No.2.1 of the Notes to Accounts have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss for the period, ended on that date ;
- (III) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ; and
- (IV) The annual accounts have been prepared on a going concern basis.

**REFERENCE TO BIFR**

In earlier years net worth of the company had been fully eroded, as a result company had approached to the Board for Industrial & Financial Restructuring (BIFR) for protection provided under The Sick Industrial Company's (Special Provisions) Act, 1985 and the company was declared as sick unit vide order of BIFR passed in May, 2010 vide reference no.42/2009 wherein the board has appointed IDBI as Operating Agency which has submitted the revival scheme to BIFR. In April 2013 Draft rehabilitation scheme (DRS) was circulated to public for suggestion and objections and said DRS is under consideration.

**LEGAL CASES :**

Company had filed civil and criminal cases against various parties for recovery of dues. As per the legal opinion and management perception Company will recover the substantial amount from the defaulting parties. Some of the parties and suppliers have also filed cases against the Company as briefed in contingent liabilities.

**APPRECIATION :**

The Board hereby records its sincere appreciation for the wholehearted support and contributions made by all its employees, workmen, staffs and officers at all levels across the Company, as well as the various Financial Institutions, Banks, Distributors, Suppliers and other business associates towards the conduct of the operations of your Company.

For and on behalf of the Board,

Place: Mumbai  
Date: 30th May, 2014

**Rishi Pilani**  
Chairman & Managing Director

**DECLARATION BY CEO / CFO**

I Ramesh S. Pilani, CEO of M/s. Ganesh Benzoplast Limited as required by Clause 49(I)(E)(ii) of the Listing Agreement executed with the Bombay Stock Exchange Limited, I hereby declare that all the Board Members and Senior Management Personal of the Company have affirmed compliance with the Company's code of conduct and Ethics for the Financial year 2013-14.

For Ganesh Benzoplast Ltd.

Place: Mumbai  
Date: 30th May, 2014

**Ramesh Pilani**  
Chief Executive Officer

## ANNEXURE TO THE DIRECTORS' REPORT

Statement pursuant to section 217(1) (e) of the Companies Act, 1956, and the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2014.

### A. CONSERVATION OF ENERGY

#### Efforts

Energy conservation continues to be a major area of emphasis and is closely monitored in every manufacturing unit of the Company.

#### Benefits

The implementation of energy conservation in a phased manner has produced good result.

#### Expenditure

The total energy consumption and the energy consumption per unit of production for chemical manufacturing units are as follows :

	2013-14	2012-13
<b>I. POWER AND FUEL CONSUMPTION</b>		
1. (a) Purchased Unit (KWH in thousands)	2,953.10	2,819.81
Total Amount (₹ in Millions)	21.97	22.97
Rate/Unit (₹)	7.44	8.15
(b) Own Generation		
(i) Through Diesel Generator unit (KLS in thousands)		
Total Units	38.48	37.18
Total Amount (₹ In Millions)	2.25	1.82
Rate / Unit (₹)	58.35	48.99
2. FURNACE OIL		
Qty. (K.L. in thousands)	0.19	0.15
Total amount (₹ In Millions)	8.59	7.28
Average rate (RS/KLS)	45,305	47,324
<b>II CONSUMPTION PER M.T.OF PRODUCTION</b>		
Electricity	776.44/ KWH	766.76/ KWH
Furnace Oil (KLS)	0.05/KLS	0.04/KLS
Diesel/LDO/LSHS (KLS)	0.01/KLS	0.01/KLS

### B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company is continuously carrying out Research and Development Activities and has developed various grades of Preservatives used in the different industries to meet the specific demands of customers.

### C. FOREIGN EXCHANGE EARNING AND OUTGO

The company continues to strive to improve its export earnings. The information on earnings is contained in Note No. 36 to Accounts.

### D. EXPLANATIONS FOR AUDITORS' QUALIFICATIONS IN AUDIT REPORT : -

Qualification mentioned in para 8 of Audit Report : -

In preceding years Company has granted some of the business advances to the associate companies without passing special resolutions. The Company will take necessary steps to ensure that outstanding recoverable payments will be recovered as soon as possible and that the necessary approvals through special resolution will now be sought.

Qualification mentioned in para 9 of audit report : -

Company is in the process of Confirmation of balances from entire parties. In coming year management will take a call the extent to which balance of old and disputed parties will either be kept in books or have to be written off.

Qualification mentioned in para 10 a) of Audit Report : -

The qualification in this case pertains to non provisions of old receivable from ONGC. In the year 2003 ONGC illegally terminated the offshore contract of 3 vessels and as a result Company went in to arbitration as per Arbitration and Conciliation Act, 1956. In the year 2008 - 2009 Company got an award from arbitrators in favor of Company for 2 vessels and accordingly in preceding financial year Company got payment from ONGC. Now the award for third vessel is pending before Arbitration committee for their verdict, and as per management perception this award will again come in favor of Company and amount will be recovered from ONGC. As a result of this and matter of prudence and from past experience there is no need to provide for these debtors. Accordingly company has not made provision for bad debts pertaining to ONGC debt. In coming year looking in to progress of Arbitration proceeding management will take a call either to retain the amount in books or make a provision for the same.

Qualification mentioned in para 10 b) of Audit Report : -

In the past Company had given some loans and advances to few corporates in anticipation of good returns. However, subsequently there was a default by these parties in payment of interest and the Principal. For the recovery of the said loans and advances, the Company has initiated actions under Negotiable instruments Act and the Management is hopeful that the substantial amount will be recovered from the parties and hence the amount should be retained in the books of accounts. As a result Company has not made provision of the same. In coming year position will be more clear as Court proceedings in these cases are gearing up. If required then in coming year Company will make such provision depending on the progress of current status of the litigations pending before court.

For and on behalf of the Board,

Place: Mumbai  
Date: 30th May, 2014

**Rishi Pilani**  
Chairman & Managing Director.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business of the company

The business of the company is presently organized in the following major segments –

#### CHEMICAL DIVISION

Manufacturing and marketing of specialized chemicals such as Benzoate Plasticizer, Benzoic Acid and spectrum preservatives. The Company is the only company in India to manufacture pure Benzoic acid, conforming to International standards of food grade. Sodium Benzoate & Benzoic Acid both have huge demand in the

International Markets mostly in the Industries like Food Processing, Fruit Processing, Tooth Paste, Automobiles, Paints, Tobacco, Rubber, Antifreeze Coolant, Paper, Corrosion and Cutting Oils.

#### INFRASTRUCTURE DIVISION

Liquid chemical storage tanks which are leased on rent for storing liquid chemicals. The tanks are located presently at JNPT ( Nhava Sheva ), Goa and Cochin. The Storage terminals are located at prime locations within the ports having full fledged facilities for import & export of Liquid Cargo.

#### MAIN SEGMENTS

Division	Products Covered	Application
Chemical	Sodium Benzoate USP/BP & Benzoic Acid USP/BP	In squash, crush, jam, marmalade, sweetened mineral water, fruit-syrups, fruit jelly, etc.; in cosmetics – tooth paste, tobacco paste, glue starch and other products.
	Benzoate Plasticizer	Extensive usage in PVC processing, PVA emulsions, adhesive and ink industry and more.
	Benzaldehyde	Pharmaceutical aids, flavouring agents.
	Anisaldehyde	Pharmaceutical intermediate.
Infrastructure	Liquid Chemical Storage Tanks	These Tanks are leased on rent for storing liquid chemicals.
Lube	Metal Working Fluids	Lubricating oils for specialized metal working operations.
	Cutting Oils	Lubricating oil for cutting of ferrous metals.
	Hydraulic Oils	Used for hydraulic machines.
	Neat Oils	For cutting of stainless steel & non ferrous metals.
	Sodium Petroleum Sulfonate	Raw material to manufacture emulsifier and other lubricants.
	Calcium Petroleum Sulfonate	Raw material to manufacture rust preventive oils, octane boosters.
	Extreme Pressure Additives	Used in the lubricating oils which are used in high pressure loads.
	Viscosity Index Improver	Additive to improve the viscosity of oils.
	Packages	Engine oil additives
Gear oil additives		Ready package for blending gear oils.
Hydraulic additives		To blend finishing hydraulic oils.
Cutting oil concentrate		For manufacturing cutting oils.
Hi-Cal		High Performance furnace oil additive

The product range of the company ranging from food preservatives to industrial applications affects every person in his daily life.

#### KEY STRENGTH AREAS AND GROWTH :

##### State-of-the-Art Manufacturing facilities :

Located at the outskirts of Mumbai, the manufacturing facility of the company is equipped for specialized manufacturing activities as per the product range. The Company's units are awarded ISO 9002. Ganesh group is known for their strong R&D base.

Our company is the only manufacturer of Sodium Benzoplast in India. Benzoplast is a superior plasticizer as compared with other plasticizers like Di-octyl phthalate (DOP), benzyl butyl phthalate and other phthalates manufactured by our main competitors. The Company manufactures Benzoic Acid and Sodium Benzoplast in

its computerised plant at Tarapur, by the well route of oxidation of Toluene. It is the only process to manufacture pure Benzoic Acid, conforming to international Standard for food grade.

The markets for products of the Company are well established with a good distribution network for domestic as well as export market. The Company is enjoying a market share in India and abroad.

In the infrastructure division the Company has constructed storage tanks for oils, petroleum and chemical industries. These tanks meet with stringent international standards with the state of the art instrumentation and safety standards. The tanks are located at JNP (Nhava Sheva), Goa and Cochin. The Company has the advantage of being a pioneer in handling liquid chemicals at JNPT and has also prime location advantage.

# Ganesh Benzoplast Limited

## Research and Development :

The company has a performance proven Division for Research and Development. The various inputs arising from these activities have given the Company an edge in competition, by process refinements or changing the generally accepted methodology.

### Growth drives :

The Company makes persistent efforts and emphasis in the following main areas :

- Product quality ;
- Product improvements ;
- Introduction of new products through in-house development ;
- Meeting emerging customer preference ;
- Producing IP grade quality ;
- Competitive pricing and extremely competitive cost structure by sustained efforts for cost cutting at all levels.

## Opportunities and Threats :

The Company is facing difficult times in the Chemical Division since the last few years. The Company is making all efforts to combat the situation and with the firming up of selling prices of the Company's products the Company expects better performance in the current year. Further, with the revival in international market, export market prospects looks bright in the Chemical division.

The authorities have cleared JNP to handle class "A" chemicals subject to certain safety measures like fire fighting measures to be strengthened by JNP. JNP authorities are implementing a massive expansion of its liquid cargo jetty thereby allowing the existing operators to handle the "A" class chemicals. Since, our company has created facility for handling of "A" class chemicals, our company has advantage of being a pioneer in handling liquid chemicals at JNP having all the infrastructure of world class facility created at the site.

We have a large clientele of domestic as well as overseas customers who have their business dealings pertaining to imports and exports based in Goa and adjoining areas of Maharashtra & Karnataka.

The Company is hopeful for better performance in the current year. The infrastructure division is recovering and showing better occupancy. The Company is vigorously pursuing various measures to improve sales, coupled with cost control measures to improve profitability in coming years. With imports going up due to industrial recovery, the prospects of higher revenue are good. Further, with the installation of tanks at Mormugoa and Cochin Port the rentals of the infrastructure division is expected to increase in the times to come.

## Summary :

The Management believes in borderless vision and opportunities. The business segments in which the Company operates offer opportunities for growth. At the same time, the business, particularly leasing on rent Liquid Chemical Storage Tanks is becoming more and more competitive with every passing day. The Company is making all out efforts based on advantages like early entry, quality, capacity, brand equity, diversified locations, distribution network etc. to stay put in the competition and also to further its leading position in the business. The Company would compliment this with early completion of existing projects, cost cutting at all levels including by financial restructuring and other measures, sales promotions and thrust on exports growth.

## Financial Review and position :

The core business areas viz. specialized chemicals and revenue from LST activities accounted for the bulk of the Company's revenues during the year.

The working for the year has resulted in net profit of ₹ 1.28 million as against net profit of ₹ 87.28 million in the previous year.

The reduction in net profit is due to a prior period expense, i.e., Service Tax Liability, which was paid during the year under review, being Service Tax paid under VCES, 2013.

The Company's Ordinary share capital stands at ₹ 51.78 millions and there are no outstanding instruments which are convertible into equity at a later date.

## Internal Control System :

The company has established an appropriate system of internal control to ensure that there exists a proper control over all the transactions.

## Financial Condition :-

### Share Capital

Issued, Subscribed and Paid up Capital as at March 31, 2014 was ₹ 51.78 Million ( ₹ 51.78 Million as at March 31, 2013 ).

### Reserves and Surplus

In view of uncertainty of availment of tax benefit on accumulated business losses and unabsorbed depreciation, company has not recognized deferred tax liabilities/assets. As at March 31, 2014. Reserves and Surplus amounted to (-) ₹ 899.38 million ( (-) ₹ 900.67 million as at March 31, 2013).

### Loan Funds :

The loan funds stood at ₹ 2559.15 million as at March 31,2014 ( ₹ 2613.50 million in the previous year).

### Fixed Assets :

Net fixed assets including Capital Work in Progress as at March 31,2014 are ₹ 1535.52 million ( ₹ 1634.82 million as at March 31,2013 ).

### Investments :

Total amount of investments as at March 31, 2014 was ₹ 0.22 million ( ₹ 0.22 million as at March 31,2013 ).

### Net Current Assets

Net Current Assets declined to -₹ 50.02 million as at March 31, 2014 from -₹ 80.73 million as at March 31, 2013.

### Enhancing Shareholder value :

The management would be making all efforts for the creation of shareholder value, it being one of its prime objectives. It would focus on measures of cost control, improving the company's position in strategic markets and strengthening its products to improve the return to shareholders.

### Cautionary Statement :

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

## PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Member of  
**GANESH BENZOPLAST LIMITED**  
Dina building, 1st Floor  
53, Maharshi Karve Road,  
Marine lines, Mumbai-400 002

I have examined the Compliance of conditions of corporate Governance by **GANESH BENZOPLAST LIMITED** for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock Exchange of India.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate as stipulated in clause 49 of the above mentioned Listing Agreement. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of my information and according to the explanation given to me. I certify that the Company has generally complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**PLACE: MUMBAI**  
**DATE: August, 14, 2014**

**FOR VINESH K. SHAH & ASSOCIATES**  
Practising Company Secretaries,  
SD/-  
(VINESH K. SHAH)  
Membership No. 6449  
C.P.No.7000

## CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Stock Exchange Listing Agreement)

1. The Company's Corporate Governance philosophy is to implement and improve upon the best practices so as to lead the Company towards higher achievements. The business objective of the Board of Directors, Company's management and employees is to undertake all its activities such as production in a manner to result in creation of sustained value over a long term for its stakeholders particularly shareholders and also employees, customers, government and the lenders. The Company strives to fully comply with regulatory requirements even in trying and adverse circumstances.

**2. Board of Directors :**

**A. Board's Functioning & Procedure :-**

The Board has complete access to any information within the Company. At meeting of the Board, it welcomes the presence of Managers who can provide additional insight into the items being discussed.

The Items placed at the Meeting of the Board include the following :-

Unaudited Quarterly / Half Yearly Financial Results and Audited Annual Accounts of the Company, the results and capital employed, for consideration and approval.

Minutes of meeting of Audit, Share Holders Grievance Committee and Remuneration Committee.

Extracts of circular resolution passed.

General Notice of Interest.

Sales and / or Purchase of Investments, fixed assets.

Review Compliance of all laws applicable to the Company including the requirement of the Listing Agreement with the Stock Exchanges and steps taken by the company to rectify instances of non compliance, if any.

Related party transactions.

Reviewing the Company's financial and risk management Policies.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

The Minutes of the Meeting of the Board are circulated to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit Committee, Remuneration Committee, Shareholders Grievance Committee and the Minutes of the Board of Directors Meeting of subsidiary company ( if any ) are also are circulated to all directors and thereafter tabled for discussion at the subsequent Board Meeting.

**B. Composition and Attendance -** The Board of Directors consists of four professionals from diverse fields – two of these members are whole time Directors and other two members are Non – Executive Independent Directors. During the year under review, four Board Meetings were held on 30.05.2013, 12.08.2013, 13.11.2013, 13.02.2014.

Name of Director	Category	No. of Board Meetings Attended	No. of Directorship of other Limited Companies	No. of Membership in other Committees
Shri Rishi R. Pilani, Chairman & MD (w.e.f. 30.09.2011)	Promoter Executive	4	1	3
Shri Raunak R.Pilani (w.e.f. 28 <sup>th</sup> June 2008.)	Promoter Executive	4	1	Nil
Shri Nalinakshan K. (w.ef 30 <sup>th</sup> June, 2007)	Non Executive Independent	4	Nil	3
Shri Kanahiyalal Thussu (up to. 1 <sup>st</sup> Oct 2013)	Non Executive Independent	2	Nil	3
Shri Ramesh D.Punjabi (W.e.f. 13.02.2014 )	Non Executive Independent	1	1	3

**3. Audit Committee : -**

The primary objective of the Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosure and ensure the integrity and quality of financial reporting. The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292 A of the Companies Act, 1956.

**a) The functions of the Audit Committee include the following : -**

the Company's financial reporting process and the disclosure of its financial information.

the quarterly and annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and legal requirements.

the adequacy of internal control systems and audit function.

recommending the appointment and removal of statutory auditors, fixation of audit fee and also to approve payment for other services.

related party transaction.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subjects and in certain matters such as financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each member to enable the Committee to take informed decisions.

The Minutes of the Meeting of the Committee are circulated to all Directors and confirmed at the subsequent Meeting.

**b) The composition of the Audit Committee and details of meeting attended by its members are given below : -**

Name of Director	Category	Position	No. of Meetings Attended
Shri Kanahiyalal Thussu ( Up to . 1st Oct 2013 )	Non Executive Independent	Member	2
Shri Nalinakshan K. (W.e.f. 1st Oct, 2013)	Non Executive Independent	Chairman	4
Shri Rishi R. Pilani,	Promoter Executive	Member	4
Shri Ramesh D.Pujjabi (W.e.f. 13.02.2014 )	Non Executive Independent	Member	1

The Committee met on 30.05.2013, 12.08.2013, 13.11.2013 and 13.02.2014 during the year.

**4. Nomination & Remuneration Committee : -**

The purpose of the Committee shall be to discharge the Board's responsibilities relating to formulation of compensation plans and policies of the Company's Executive Directors.

**A. The broad terms of reference of the Remuneration Committee are as follows : -**

The company while deciding the remuneration package of the Senior Management Members, takes into consideration the recommended and recommends to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director and Whole Time Directors.

\*Finalise the perquisites package of the Managing Director and Whole Time Directors within the overall ceiling fixed by the Board.

\*Recommend to the Board, retirement benefits to be paid to the Managing Director and Whole-Time Directors under Retirement Benefit Guidelines adopted by the Board.

**B. Remuneration Policy : -**

The Company pays remuneration to its Whole-Time Director & CEO by way of salary, allowance and perquisites as recommended by the Remuneration & Compensation Committee, subject to the conditions stipulated in Schedule XII and other applicable provisions of the Companies Act, 1956. The Company pays sitting fees to non-executive directors for attending each meeting of the Board / Committee. No. Commission is paid to the Executive Director.

# Ganesh Benzoplast Limited

## C. Composition of Remuneration Committee :-

Name of Director	Category	Position	Meeting Attended
Shri Kanhyalal Thussu (Up to 1st October, 2013 )	Non Executive Director	Chairman	1
Shri Nalinakshan K.	Non Executive Director	Member & Chairman (w.e.f 1.10.2013)	1
Ramesh.D.Punjabi (w.e.f 13.02.2014)	Non Executive Director	Member (w.e.f 13.02.2014)	1

## D. Details of Remuneration paid for 2013 – 14 :-

Details of remuneration paid to Independent Directors is as under:-

Name of Director	Salary incl. Perquisites	Sitting fees	Total
Shri Nalinakshan.K	Nil	₹ 17,000	₹ 17,000
Shri.Kanhyalal Thussu	Nil	₹ 8,000	₹ 8,000

## Managing Director :-

Name of Director	Salary Inc. perquisites	Sitting fees	Total
Shri Rishi Pilani	₹ 24,00,000	Nil	₹ 24,00,000

## 5. Stakeholders' Grievance Committee :-

An Stakeholders' Grievance Committee was constituted to specifically look into the redressal of Investors' Complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend and non-receipt of demat credit, etc.

The committee reviews the status of investor's grievances and redressal mechanism and recommends measures to improve the level of investor services. The Committee met on 30.05.2013, 12.08.2013, 13.11.2013, 13.02.2014 during the year.

### Composition

Name of Director	Category	Position	Meeting Attended
Shri Kanahiyalal Thussu ( up to 1st Oct 2013 )	Non Executive Independent	Member	2
Shri Nalinakshan K.	Non Executive Independent	Member	4
Shri Rishi R. Pilani	Promoter Executive	Member	4
Shri Ramesh D.Punjabi (w.e.f 13.02.2014)	Non Executive Independent	Member	1

The total number of complaints received and replied to the satisfaction of the share holders during the year ended 31.03.2014 were 75. One complaint as on 31.03.2014 is outstanding. Pending Complaint has been attended to/replied to by 15.4.2014.

The total numbers of pending share transfers were Nil and pending request for dematerialization were Nil as on 31.03.2014.

The Board has designated Mr. Rishi R..Pilani, Chairman as the Compliance Officer.

## 6. Share Transfer Committee :-

The composition, powers and functions of the Committee meets the requirements of Listing Agreement. The Committee meets generally on a fortnightly basis. During the year under review, the Committee met 12 times.

Name of Director	Category	Position	Meeting Attended
Shri Rishi R. Pilani	Executive Director	Member	12
Shri Raunak R .Pilani	Executive Director	Member	12



**7. General Body Meetings : -**

Details of last three Annual General Meetings of the Company are as follows:

Meeting	Day, Date and Time	Venue
24th AGM	Friday, 30.09.2011, 10.00 Am	Shri Rajasthan Recreation Club Plot no. 3, J.B.Nagar, Andheri (E) Mumbai- 400 059.
25th AGM	Saturday, 29.12.2012, 10.00 Am	Shri Rajasthan Recreation Club Plot no. 3, J.B.Nagar, Andheri (E) Mumbai- 400 059.
26th AGM	Monday, 30.09.2013, 10.00 Am	Shri Rajasthan Recreation Club Plot no. 3, J.B.Nagar, Andheri (E) Mumbai- 400 059.

**No Special resolution was put through postal ballot, at the last Annual General Meeting.**

**8. Disclosures : -**

There were no material significant transactions with the Directors or Management that have any conflict with the interest of the company at large.

**\* Details of related party transactions : -**

There are no material transactions with related parties that require separate disclosures. A list of related party transactions as required by the Accounting Standards ( AS ) 18 issued by the institute of Chartered Accounts of India, forms part of note 33 to the accounts. These transactions do not have any potential conflict with the interest of the company at large.

**\* Pecuniary relationship or transaction of the Non-Executive Director : -**

There is no material pecuniary transaction with any independent Director of the Company that requires a separate disclosure.

**\*Details on the use of proceeds from public issue, right issue, preferential issue etc : -**

No funds have been raised through issue of equity or debt in the form of public or right or preferential issues during the year under review.

**\* Disclosure of Accounting Transactions : -**

The Company has followed all mandatory accounting standards.

**\* Compliance : -**

The Company has complied with various rules and regulations prescribed by the Stock Exchange and Securities & Exchange Board of India or any other statutory authority relating to the capital market during the year under review. No penalties or strictures have been imposed by them on the Company during the year under review.

**\* CEO / CFO certification : -**

The Chief Executive Officer ( CEO ) of the Company has issued necessary certificate pursuant to the provisions of Clause 49 of the Listing Agreement and the same is attached and forms part of the Annual Report.

**9. Means of Communication : -**

The Company has reported all material information including quarterly financial results, press release issued by the Company to all Stock Exchanges where the securities of the Company are listed.

**10. General Shareholder Information : -**

All the required information is provided in Shareholders' information section.

**SHAREHOLDER INFORMATION SECTION**

- (i) **Registered Office** : Dina Building, 1st Floor, Maharishi Karve Road, Marine Lines (East) Mumbai- 400 002 & **Corporate Office** : A1/A2, Gurudatt Co-Operative Hsg Soc, J.B.Nagar Andheri (E), Mumbai- 400 059.
- (ii) **Annual General Meeting** : Tuesday, 30th September , 2014 at 10.00 a.m. at.Shri Rajasthan Recreation Club, J.B.Nagar, Andheri (East), Mumbai- 400 059.
- (iii) **Financial Calendar** : 2014-2015 ( Tentative )  
1<sup>st</sup> Quarter Results : Second week of August, 2014.  
2<sup>nd</sup> Quarter Results : second week of November, 2014.

# Ganesh Benzoplast Limited

3<sup>rd</sup> Quarter Results : Second week of February, 2015.

4<sup>th</sup> Quarter Results : Last week of May, 2015.

Annual General Meeting : Before end September, 2015.

- (iv) **Date of Book Closure** : The Register of Members and the Register of Share Transfers of the Company will remain closed on Saturday, 20<sup>th</sup> September, 2014 to Tuesday 30<sup>th</sup> September 2014. ( Both days Inclusive )

**Registrar for Demat Segment** : The Company has appointed Big Share Services Limited having its office at E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri-East, Mumbai-400 072 as Registrar for demat segments .

**Share Transfer System** : The Company has in-house Share Department, which provides all shareholders-related services. Share Transfer requests received in physical form are registered within 30 days from the date of receipt and demat requests are normally confirmed within an average period of 15 days from the date of receipt.

**Dematerialization of Shares** : Trading in Company's shares is permitted only in dematerialization since April 08, 1999, as per notification issued by the Securities and Exchange Board of India. The Company provides facility for simultaneous transfer and dematerialization of equity shares as per the procedure prescribed by NSDL and CDSL.

About 93.81 % of the total shares have been dematerialised as on March 31, 2014.

	No of Shares	% of Total capital issued
Held in Dematerialized Form in NSDL	4,12,80,469	79.72 %
Held in Dematerialized Form CDSL	73,01,381	14.10 %
Physical	32,02,443	6.18 %
<b>Total</b>	<b>5,17,84,293</b>	<b>100.00 %</b>

**Green Initiative** : The Ministry of Corporate Affairs ("MCA") Government of India, through its Circular No. 17 / 2011 dated 21st April, 2011 and Circular No. 18 / 2011 dated 29th April, 2011 has allowed companies to send Annual Report comprising of Balance sheet, Statement of profit and loss, Directors report, Auditors Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit. Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details ( name, folio no, e-mail id ) on the companies e-mail address viz, gbljbn@yahoo.com or mlglblml@gmail.com Members who hold shares in electronic form are requested to get their details update with the respective depositories.

**Share Transfer Office / Address for correspondence** : - A/1, A2, Gurudatt Co-op Hsg

Soc Ltd., J.B.Nagar Andheri (E) 400 059, Telephone No.28390694

(v) **Fax No.** : 022 - 28390715

(vi) **Email Address** : - mlglblml@gmail.com, gbljbn@yahoo.com

Website : <http://www.gblinfra.com>

(vii) **Notice for change of address** and mandates must reach the Company's Share Department. In case of dematerialised shares the notice for change of address and mandates etc. should be directly sent to the concerned Depository Participants.

(viii) **Listing on Stock Exchange** : At the Bombay Stock Exchange.

**BSE Stock Code** : 500153

**ISIN No.** : INE388A01029

**Stock Market Data :** Monthly high and low quotations as well as the volume of shares traded at Bombay Stock Exchange for 2013-2014 are :

Month	High ₹	Low ₹	Volume (Shares)	Month	High ₹	Low ₹	Volume (Shares)
Apr., 2013	8.00	6.53	1,78,637	Oct., 2013	5.99	4.60	55,185
May, 2013	8.47	6.75	2,80,145	Nov., 2013	5.60	4.51	54,521
Jun., 2013	8.14	6.15	86,304	Dec., 2013	5.67	4.75	1,20,283
Jul., 2013	6.80	4.07	2,04,489	Jan., 2014	5.79	4.99	91,395
Aug., 2013	5.09	3.80	37,618	Feb., 2014	6.41	5.23	83,188
Sep., 2013	6.98	4.60	59,232	Mar., 2014	7.71	5.90	1,30,905

**Distribution Schedule as on 31.03.2014.**

No. of Equity Shares	Share holders		No. of Shares	
	Number	% of Holders	Number	% of Shares
Upto –2500	34,377	98.14	67,65,726	13.07
2501 –5000	309	0.88	11,75,926	2.27
5001-10000	151	0.43	11,37,298	2.20
10001-20000	86	0.25	13,02,460	2.52
20001-30000	18	0.05	4,51,787	0.87
30001-40000	23	0.07	8,06,477	1.56
40001-50000	12	0.03	5,49,740	1.06
50001-100000	24	0.07	18,50,123	3.57
100001 & Above	30	0.09	3,77,44,756	72.89
<b>Total</b>	<b>35,030</b>	<b>100.00</b>	<b>5,17,84,293</b>	<b>100.00</b>

**(xv) Categories of Shareholders as on 31.03.2014.**

Category	31.03.2014	
	% of Shareholding	No. of Shares
Promoters	32.82	1,69,97,101
Individuals	34.64	1,79,35,392
Domestic Companies	18.55	96,05,302
FIs ,Mutual Funds & Bank	12.06	62,46,535
FIs, OCBs & NRI	1.93	9,99,963
<b>TOTAL</b>	<b>100.00</b>	<b>5,17,84,293</b>

**(xvi) PLANT LOCATION**

**a) Chemical Division : -**

D – 5 / 2 & D – 21 / 2 / 2, M.I.D.C. Industrial Area, Tarapur, Dist. Thane ( Maharashtra )

**b) Infrastructure Division**

Jawarharlal Nehru Port ( J.N.P. ) Bulk Road, Nhava Seva, Navi Mumbai – 400 707.

Plot No. A - 1, 2,3. South End, Willington Island, Cochin - 682 029.

Head Land, Sada, Mormugoa – 403 803.

**(xvii) Address for Correspondence**

A1 / A2 Gurudatt CO-OP Hsg Soc Ltd, J.B.Nagar Ahdheri (E) , Mumbai-400 059.

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**Ganesh Benzoplast Limited**

### 1 Report on the Financial statements

We have audited the accompanying financial statements of Ganesh Benzoplast Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### 2 Management's Responsibility for the Financial Statements

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 sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

### 3 Auditor's 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4 An audit involves performing procedures to obtain audit evidence about the amounts and 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 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

### 5 Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2014;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### 6 Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

7 Without qualifying our opinion, we draw attention to Note no.29 to notes to accounts to the financial statements. As at March 31, 2014 the company's accumulated losses of ₹ 1711.95 Millions exceeds its net worth of ₹ 842.32 Millions. These mitigating factors have been more fully discussed in Note no.29 accompanying financial statements, in view of which the accompanying financial statements have been prepared under the going concern assumption, and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts.

8 *The net worth of the Company has been fully eroded as on March 31, 2014, however the Company had in the earlier years given inter corporate deposits to certain parties and has also taken loans from certain parties without passing any special resolution in a general meeting as required by section 372A and Section 293(1) (d) respectively of the Companies Act, 1956.*

*The Impact of our comments in paragraph 8 above, if any, on the financial statements cannot be ascertained.*

9 *The balances of the Trade Receivables, Trade Payables and Advances given to certain parties are subject to confirmation / reconciliation.*

10 a) *The company has not provided for debts aggregating to ₹ 29.27 Millions in respect of outstanding from one party for a considerable period of time, which in our opinion are doubtful of recovery. Had the Company accounted for the same the loss for the period would have*

been ₹(27.99) Millions as against a reported net profit of ₹ 1.28 Millions ,deficit balance in profit and loss account would have been ₹ 1,741.22 Millions as against ₹ 1,711.95Millions, balance in Trade Receivables would have been ₹ 131.14 Millions as against ₹ 160.41Millions.

- b) *The Company has not provided for loans and advances aggregating to ₹ 36.84 Millions given to various parties outstanding for a considerable period of time, which in our opinion are doubtful of recovery, Had the Company accounted for the same the loss for the period would have been ₹ (35.56) Millions as against a reported profit of ₹ 1.28Millions, deficit balance in profit and loss account would have been ₹ 1748.79 Millions as against ₹ 1711.95 Millions , balance in loans and advances would have been ₹ 490.84Millions as against ₹ 527.68 Millions .*
- c) *The audit report for the year ended March 31,2013 was also qualified in respect of the above matter stated in paragraph 10(a) and 10(b) above..*
- d) *Had the Company accounted for our comments in paragraph 10(a) and10(b) above there would have been loss for the period amounting to ₹ 64.83 Millions as against a reported profit of ₹ 1.28 Millions , balances in Trade Receivables would have been ₹ 131.14 Millions as against ₹ 160.41Millions, balance in loans and advances would have been ₹ 490.84 Millions as against ₹ 527.68Millions,Deficit balance in profit and loss account would have been1778.06 Millions as against ₹ 1,711.95 Millions.*

11. 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 purpose of our audit; except balance confirmation/ reconciliation of certain balances.
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956, except for comments in paragraph 9 and 10 above;

- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For Samria & Co.**  
Chartered Accountants  
Firm Registration No.: 109043W

**CA S.R. Rathi**  
Partner  
Membership No.: 112376

Place: Mumbai  
Date: 30th May, 2014

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 6 of the Our Report of even date.

Re: Ganesh Benzoplast Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory 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 inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) During the year the Company has granted Interest Free loans / advances to two parties covered in the register maintained under section 301 of the Companies Act, 1956 to the extent of ₹ 1.18 Millions. The maximum amount involved during the year was ₹ 156.91 Millions and the yearend balance of loans granted to such parties was ₹ 156.91 Millions.
- (b) In respect of loans /advances granted, repayment of the principal amount is stipulated.
- (c) There is no overdue amount of loans/advances granted to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (d) The Company has taken Interest free loans from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 209.56 Millions and the year end balance of loans taken from such parties was ₹ 195.86 Millions.
- (e) In our opinion and according to the information and explanations given to us , the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company because these are long term and interest free unsecured loan availed from the promoters of the company.
- (f) In respect of loans taken, there is agreed period for repayment of these loans.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of inventory, fixed assets and sales of goods and service. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In respect of transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees five lakhs have been entered in to during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) *The Company does not have an internal audit system.*
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie , the prescribed accounts and records have been made and maintained.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, service tax customs duty, excise duty, cess and other statutory dues have *not been regularly deposited with the appropriate authorities and there have been delays in some of the cases.*
- (b) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the yearend for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Millions)	Period to which the amount relates	Due Date	Date of Payment
Maharashtra Labour welfare Fund Act	Labour fund Dues	0.02	2004- 2014	Various dates	Not paid
Professional Tax Act	Professional Tax	1.26	2005-2012	Various dates	Not paid
Employees Provident Fund Act	Provident Fund	3.12	2002-2014	Various dates	Not paid
Income Tax Act , 1961	Income Tax	10.94*	1999-2001	Various dates	Not paid

\*The Income tax demand shown above will be reduced to the extent of unadjusted TDS refund for the A.Y. 12-13, A.Y. 13-14 and A.Y. 14-15.

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (in Millions )	Period to which the amount relates	Forum where dispute is pending
Income Tax Act , 1961	Interest u/s 234A/B/C & 220(2) of the act.	28.21	AY 1999-2000 and A.Y. 2000-01	Company has approached BIFR for waiver of total interest payable u/s 234A/B/C and 220(2) of the act.

- (x) *The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth.* The Company has not incurred cash losses in current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced 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) In our opinion, 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 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations 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) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) In respect of bonds issued by the Company and outstanding during the year, the Company has created security or charge in respect of bonds issued.
- (xx) According to the information and explanations given to us, during the year, the Company has not raised any money through public issue.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Samria & Co.**  
Chartered Accountants  
Firm Registration No.: 109043W

Place: Mumbai  
Date: 30th May, 2014

**CA S.R. Rathi**  
Partner  
Membership No.: 112376

**BALANCE SHEET AS AT 31 MAR 2014**

	Notes	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	57.06	57.06
Reserves and surplus	4	(899.38)	(900.66)
		<b>(842.32)</b>	<b>(843.60)</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	2,546.33	2,601.49
Long-term provisions	6	12.83	12.00
		<b>2,559.15</b>	<b>2,613.50</b>
<b>Current liabilities</b>			
Short-term borrowings	8	55.60	50.20
Trade payables	7	363.36	307.86
Other current liabilities	7	237.40	270.03
Short-term provisions	6	2.48	2.26
		<b>658.83</b>	<b>630.36</b>
<b>Total</b>		<b>2,375.66</b>	<b>2,400.24</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	1,517.18	1,579.82
Capital work-in-progress		18.33	55.00
Non-current investments	10	0.22	0.22
Deferred tax assets (net)	11	-	-
Long-term loans and advances	12	231.12	215.57
Other non current assets	14	-	-
		<b>1,766.85</b>	<b>1,850.61</b>
<b>Current assets</b>			
Inventories	15	75.52	65.92
Trade receivables	13	160.41	188.96
Cash and bank balances	16	62.17	69.26
Short-term loans and advances	12	296.57	216.56
Other current assets	14	14.15	8.94
		<b>608.81</b>	<b>549.63</b>
<b>Total</b>		<b>2,375.66</b>	<b>2,400.24</b>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Samria & Co.**

Chartered Accountants

Firm Regn. No. 109043W

**CA S.R. Rathi**

Partner

Membership no.: 112376

Place: Mumbai

Date: 30<sup>th</sup> May, 2014

For and on behalf of the board of directors of

Ganesh Benzoplast Limited

**Rishi Pilani**

[Chairman & Managing director]

**Raunak Pilani**

[Director]



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from operations (gross)	17	1,194.95	1,228.21
Less: excise duty		41.14	44.32
Revenue from operations (net)		<b>1,153.82</b>	<b>1,183.89</b>
Other income	18	30.31	22.74
Total revenue (I)		<b>1,184.13</b>	<b>1,206.63</b>
<b>Expenses</b>			
Cost of raw material and components consumed	19	445.44	417.54
Changes in inventories of finished goods, work-in-progress and traded goods	20	(6.68)	(1.89)
Employee benefits expense	21	56.63	54.43
Other expenses	22	296.13	316.37
Exceptional & Prior period items	23	69.55	9.12
<b>Total Expenses (II)</b>		<b>861.07</b>	<b>795.57</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)</b>		<b>323.06</b>	<b>411.06</b>
Depreciation and amortization expense	24	186.61	180.93
Finance costs	25	135.17	142.85
Profit/(loss) before tax		<b>1.28</b>	<b>87.28</b>
Tax expenses			
Current tax		-	-
Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit/(loss) for the year</b>		<b>1.28</b>	<b>87.28</b>
<b>Earnings per equity share [nominal value of share ₹ 1 (31 March 2013: ₹1)]</b>	26	<b>51.78</b>	<b>51.78</b>
<b>Basic &amp; Diluted</b>			
Computed on the basis of profit from continuing operations		0.02	1.69
Computed on the basis of total profit for the year		0.02	1.69
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Samria & Co.**

Chartered Accountants  
Firm Regn. No. 109043W

**CA S.R. Rathi**

Partner

Membership no.: 112376

Place: Mumbai

Date: 30<sup>th</sup> May, 2014

For and on behalf of the board of directors of  
Ganesh Benzoplast Limited

**Rishi Pilani**

[Chairman & Managing director]

**Raunak Pilani**

[Director]

# Ganesh Benzoplast Limited

## Significant Accounting Policies:

### 1. Corporate Information

Ganesh Benzoplast Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the business of manufacturing and selling food preservatives and industrial lubricants. The company caters to both domestic and international markets. The company also provides storage and warehousing services at various ports in India.

### 2. Basis of preparation

The financial statements have been prepared to comply in all material respects in respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### 2.1 Summary of significant accounting policies

##### (a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The Differences between the actual results and the estimates are recognized in the period in which the results are Known/Materialise.

##### (b) Tangible fixed assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and

maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

From accounting periods commencing on or after 7 December 2006, the company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

##### (c) Capital Work-in-Progress

Projects under commissioning and other Capital Work-in-Progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

##### Depreciation on tangible fixed assets

Depreciation is provided using the straight line method at the rates prescribed under schedule XIV of the Companies Act, 1956. Lease hold land is amortizable over the period of 99 years from the year of allotment of land which is 1986.

Asset	Schedule XIV Rates (SLM)
Buildings	3.34%
Plant and Equipment	4.75%
Storage tanks	4.75%
Office premises	1.63%
Furniture and Fittings	6.33%
Vehicles	9.5%
Computers	16.21%

##### (d) Impairment

An Asset is treated as impaired when the carrying cost of asset exceeds its recoverable value an impairment loss is charged to the Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has a change in the estimate of recoverable amount.

##### (e) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as

operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

**(f) Investments**

Investments that are readily realizable and intended to be held for not more than a year after the date of acquisition are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried individually at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**(g) Inventories**

Inventories are valued as follows:

Raw materials, components, stores and spares  
Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

Work-in-progress and finished goods  
Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(h) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sales of Goods**

Revenue from sales of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

**Income from Services**

Revenues from Storage contracts are recognized pro-rata over the period of the contract as and when services are rendered.

**Interest**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividends**

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

**Duty Drawback**

Revenue is recognized on actual receipt basis.

**(i) Foreign currency transactions & translation**

**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**(iii) Exchange Differences**

Exchange differences arising on a monetary item on the settlement of monetary or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**(j) Retirement and other employee benefits**

- i. A Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the Provident Fund authorities.
- ii. Gratuity liability is are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected

unit credit method made at the end of the financial

- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- iv. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

## (k) Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred tax resulting from timing difference between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

## (l) Segment Reporting Policies

### Identification of segments :

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

### Inter segment Transfers :

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

### Allocation of common costs :

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

### Unallocated items :

Includes general corporate income and expense items which are not allocated to any business segment.

### Segment Policies :

The company prepares its segment information in conformity with the accounting policies

adopted for preparing and presenting the financial statements of the company as a whole.

## (m) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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.

## (n) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (Excluding retirement Benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## (o) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at

bank and in hand and short-term investments with an original maturity of three months or less

## (p) Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

## (q) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange

differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(r) Contingent liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to

settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**(s) Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>3. Share capital</b>		
<b>Authorized shares (No. millions)</b>		
400 Mn (31 March 2013: 400 Mn) equity shares of ₹1/- each	<b>400.00</b>	<b>400.00</b>
<b>Issued, subscribed and fully paid-up shares (No. millions)</b>		
51.78 Mn (31 March 2013: 51.78 Mn) equity shares of ₹1/- each	<b>51.78</b>	51.78
Share Forfeiture Account (1.05 Mn. Shares @ ₹ 5 paid up, 31 March 2013: 1.05 Mn. Shares @ ₹ 5 paid up.)	<b>5.27</b>	5.27
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>57.06</b>	57.06

(a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period

**Equity Shares**

	31-Mar-14		31-Mar-13	
	No. millions	₹ millions	No. millions	₹ millions
At the beginning of the period	51.78	51.78	51.78	51.78
Issued during the period – Bonus issue	-	-	-	-
Issued during the period – ESOP	-	-	-	-
Outstanding at the end of the period	<u>51.78</u>	<u>51.78</u>	<u>51.78</u>	<u>51.78</u>

(b) Terms/Rights attached to Equity shares

The company has only one class of equity shares having par value of ₹1' per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31 March 2014		As at 31 March 2013	
	No. millions	% holding in the class	No. millions	% holding in the class
Equity shares of ₹1' each fully paid				
Suaram Financial Services & Techniques Pvt.Ltd.	10.56	20.38%	10.56	20.38%
Ganesh Risk Management Pvt. Ltd.	4.97	9.60%	4.97	9.60%
India Debt Management Pvt.Ltd.	6.94	13.41%	6.94	13.41%
IFCI Ltd.	3.89	7.51%	3.89	7.51%

As per the records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal & beneficial ownership of shares.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>4. Reserves and surplus</b>		
<b>Capital reserve</b>		
As per last Balance Sheet	430.07	430.07
<b>Securities premium account</b>		
As per last Balance Sheet	382.50	382.50
<b>Profit and loss A/c</b>		
Balance as per last financial statements	(1,713.23)	(1,800.52)
Profit for the year	1.28	87.28
Less: Appropriations	-	-
<b>Net surplus in the statement of profit and loss</b>	<b>(1,711.95)</b>	<b>(1,713.23)</b>
<b>Total reserves and surplus</b>	<b>(899.38)</b>	<b>(900.66)</b>

	Non-current portion		Current maturities	
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>5. Long-term borrowings</b>				
<b>Bonds</b>				
a) 0.746 million (31 March 2013: 0.746 million) Zero Coupon Bond(ZCB) having face value of ₹100 each (Secured)	74.66	74.66	-	-
<b>Term loans from Banks and Financial Institutions</b>				
b) Cent Rental loan from Bank (Unsecured)	-	8.81	10.49	36.32
c) From financial institutions (secured)	2,275.81	2,325.81	120.00	120.00
<b>Other loans and advances</b>				
d) Loans & Advances				
from Shareholders (unsecured)	190.33	190.35	-	-
from related parties (unsecured)	5.53	1.86	-	-
	<b>2,546.33</b>	<b>2,601.49</b>	<b>130.49</b>	<b>156.32</b>
<b>The above amount includes</b>				
Secured borrowings	2,350.47	2,400.47	120.00	120.00
Unsecured borrowings	195.86	201.02	10.49	36.32
Amount disclosed under the head "other current liabilities" (Note no.7)			(130.49)	(156.32)
<b>Net amount</b>	<b>2,546.33</b>	<b>2,601.49</b>	<b>-</b>	<b>-</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

- a) Company had issued 746,630 nos. of Zero coupon Bond (ZCB) having face value of ₹ 100 each for an aggregate of ₹ 74.66 million to IFCI in accordance with One Time Settlement Agreement entered in the earlier years. The said ZCB are redeemable at par in three equal installments of ₹ 24.88 million each on September 30, 2016, September 30, 2017 and September 30, 2018. These ZCB are interest free and non transferable. Further these are secured by second charge on all fixed assets of the Company.
- b) Cent rental loan is secured against contract with one of the customer Indorama Synthetic (I) Limited for rendering of storage services. Further this is secured against mortgage of personal properties of promoters alongwith personal guarantees of directors and their relatives.
- c) Term Loans from financial institutions include loans directly disbursed by India Debt Management Pvt Lrd (IDM) and those acquired by IDM from some erstwhile lenders of the Company. All these term loans are secured by a first charge/ mortgage of all immovable properties both present and future and by a first charge by way of hypothecation of all movables (save and except book debts) including movable machinery spares, tools and accessories present and future and shall rank pari passu between one another. These loans are proposed to be restructured in both quantum and repayment schedule under a draft Rehabilitation Scheme filed by the Company with BIFR which is pending approval. As per the proposed terms under the Draft Rehabilitation Scheme, these loans carry an interest rate of 16% p.a. and are repayable before 31.08.2014 based on terms agreed between IDM and the Company. The Company is taking appropriate steps to repay the said loans, by way of availing fresh long term loans from prospective investor to replace the debt of IDM. Hence though the restructured loans of IDM are repayable by 31.08.2014, these continue to be classified as Long term borrowings for the current financial year as the Company and management expect to refinance these obligations through fresh long term loans.
- d) Loans and advances from shareholders and related parties are long term, unsecured and interest free in nature. Further there are agreed terms in respect of repayment.

	Long-term		Short-term	
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>6. Provisions</b>				
<b>Provision for employee benefits</b>				
Provision for gratuity (note 30)	8.41	8.39	1.75	1.63
Provision for leave benefits	4.41	3.61	0.74	0.63
	<u>12.83</u>	<u>12.00</u>	<u>2.48</u>	<u>2.26</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>7. Other current liabilities</b>		
Trade payables (including acceptances) (note 31)	363.36	307.86
<b>Other liabilities</b>		
Current maturities of long term borrowings (note 5)	130.49	156.32
Interest accrued but not due on Secured loan of IDM.	29.48	27.48
Advances received from customers	61.45	67.43
Profession tax and MLWF dues	1.31	1.32
Provident fund dues	2.94	2.94
TDS and Income tax dues payable	11.72	14.55
	<u>237.40</u>	<u>270.03</u>
	<u>600.75</u>	<u>577.90</u>

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>8. Short-term borrowings</b>		
Bank Overdraft (Secured)	52.27	46.87
Other loans & advances (Unsecured)	3.33	3.33
<b>Total Short term borrowing</b>	<u>55.60</u>	<u>50.20</u>
<b>The above amount includes</b>		
Secured borrowings	52.27	46.87
Unsecured borrowings	3.33	3.33

- a) Bank overdraft facility is secured against fixed deposits with bank. The overdraft is repayable on demand and carries interest @ 9% to 11%.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

9. Tangible assets

(₹ in Millions)

	Land	Leasehold Land	Buildings	Plant and equipment	Storage tanks	Office premises	Furniture and fixtures	Vehicles	Computers	Total
<b>Cost or valuation</b>										
At 1 April 2012	0.22	1.66	66.66	1,412.00	2,260.71	1.23	15.99	0.54	2.34	3,761.35
Additions	-	-	-	47.27	76.10	-	0.46	-	0.55	124.38
Disposals	-	-	-	(17.01)	-	-	(2.95)	-	(1.42)	(21.38)
<b>At 31 March 2013</b>	<b>0.22</b>	<b>1.66</b>	<b>66.66</b>	<b>1,442.26</b>	<b>2,336.81</b>	<b>1.23</b>	<b>13.50</b>	<b>0.54</b>	<b>1.47</b>	<b>3,864.35</b>
Additions	-	-	-	77.53	46.11	-	0.07	-	0.26	123.98
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2014</b>	<b>0.22</b>	<b>1.66</b>	<b>66.66</b>	<b>1,519.79</b>	<b>2,382.92</b>	<b>1.23</b>	<b>13.57</b>	<b>0.54</b>	<b>1.73</b>	<b>3,988.32</b>
<b>Depreciation</b>										
At 1 April 2012	-	0.43	37.57	952.44	1,103.16	0.52	11.69	0.40	1.77	2,107.98
Charge for the year	-	0.02	2.23	68.85	108.73	0.02	0.85	0.05	0.18	180.93
Disposals	-	-	-	-	-	-	(2.95)	-	(1.42)	(4.37)
<b>At 31 March 2013</b>	<b>-</b>	<b>0.45</b>	<b>39.80</b>	<b>1,021.29</b>	<b>1,211.89</b>	<b>0.54</b>	<b>9.59</b>	<b>0.45</b>	<b>0.53</b>	<b>2,284.54</b>
Charge for the year	-	0.02	2.23	70.22	112.97	0.02	0.86	0.04	0.25	186.61
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2014</b>	<b>-</b>	<b>0.47</b>	<b>42.02</b>	<b>1,091.51</b>	<b>1,324.86</b>	<b>0.56</b>	<b>10.45</b>	<b>0.49</b>	<b>0.78</b>	<b>2,471.14</b>
<b>Net Block</b>										
At 31/03/2013	0.22	1.21	26.87	420.97	1,124.92	0.69	3.91	0.09	0.94	1,579.82
At 31/03/2014	0.22	1.19	24.64	428.28	1,058.07	0.67	3.12	0.05	0.95	1,517.18

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>10. Non-current investments</b>		
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Investment in equity instruments (quoted)</b>		
0.0015 million (31 March 2013: 0.0015 million) equity shares of ₹10 each fully paid-up in Emtex Limited	0.02	0.02
Aggregate amount of quoted investments (Market value: NIL million (31 March 2013: 0.003 million))	<u>0.02</u>	<u>0.02</u>
<b>Investment in equity instruments (unquoted)</b>		
0.01 million (Previous year 0.01 million) equity shares of Jankalyan Sahkari bank ltd of ₹ 10 each	0.10	0.10
0.00004 million (Previous year 0.00004 million) equity shares of Punjab & Maharashtra Bank bank ltd of ₹10 each	0.00	0.00
0.39 million (Previous year 0.39 million) equity shares of M/s Futuristic offshore Services and chemical ltd.of ₹ 10 each	0.10	0.10
<b>Aggregate amount of unquoted investments</b>	<u>0.20</u>	<u>0.20</u>
<b>Total Non Current Investment</b>	<u>0.22</u>	<u>0.22</u>
	<b>31-Mar-14</b> ₹ millions	31-Mar-13 ₹ millions
<b>11. Deferred tax asset (net)</b>		
Deferred tax asset recognized for timing differences due to :		
a) Gratuity / Leave Encashment	1.04	1.03
b) Unabsorbed carried forward Loss	274.88	310.79
<b>Total (A)</b>	<u>275.92</u>	<u>311.82</u>
Deferred tax liability recognized for timing differences due to :		
a) Depreciation	275.92	311.82
<b>Total (B)</b>	<u>275.92</u>	<u>311.82</u>
Net deferred tax (A- B)	<u>-</u>	<u>-</u>

The Company has made profit during the year but since, the company has sufficient assessed losses as well as book losses, no provision has been made in respect of Income Tax or MAT u/s 115JB of the Income Tax Act,1961. Further in view of uncertainty of availment of tax benefit on accumulated business losses and unabsorbed depreciation, company has recognized deferred tax assets only to the extent of deferred tax liability.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	Non-current		Current	
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>12. Loans and advances</b>				
Capital advances				
Unsecured, considered good	66.68	54.31	-	-
Provision for doubtful advances	48.15	48.15	-	-
	18.53	6.16	-	-
Other loans & advances - intercorporate deposits				
Unsecured, considered good	70.24	68.24	-	-
Provision for doubtful advances	10.49	10.49	-	-
	59.75	57.75	-	-
Trade advances given to sundry creditors				
Unsecured, considered good	-	-	125.48	60.55
Security deposit				
Unsecured, considered good	-	-	55.63	56.87
	59.75	57.75	181.11	117.43
	78.28	63.91	181.11	117.43
Loan and advances to related parties (note 34 & 36)				
Unsecured, considered good	152.84	151.66	-	-
Unsecured, considered Doubtful	-	-	-	-
	152.84	151.66	-	-
Provision for doubtful advances	-	-	-	-
	152.84	151.66	-	-
Other loans and advances				
Loans to employees	-	-	1.89	1.24
Balances with statutory / government authorities	-	-	83.12	83.09
Advance payment of tax (Net of tax demand-TDS refund)	-	-	30.44	14.80
	-	-	115.45	99.13
	231.12	215.57	296.56	216.56

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	Current	
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>13. Trade receivables</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	46.00	60.63
Unsecured, considered doubtful	2.79	2.79
	<u>48.79</u>	<u>63.41</u>
Provision for doubtful receivables	(2.79)	(2.79)
	<u>46.00</u>	<u>60.63</u>
<b>Other receivables</b>		
Unsecured, considered good	114.41	128.33
Doubtful	-	-
	<u>114.41</u>	<u>128.33</u>
Provision for doubtful receivables	-	-
	<u>114.41</u>	<u>128.33</u>
<b>Total</b>	<u>160.41</u>	<u>188.96</u>
<b>Trade receivables include:</b>		
Dues from partnership firm (Agarwal Chemicals) in which the company's executive director is a partner	4.10	4.35
	<u>4.10</u>	<u>4.35</u>

	Non-current		Current	
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>14. Other assets</b>				
<b>Unsecured, considered good unless stated otherwise</b>				
Interest accrued on fixed deposits	-	-	14.15	8.94
Other bank balances (Refer Note 16)	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>14.15</u>	<u>8.94</u>

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>15. Inventories (valued at lower of cost and net realizable value)</b>		
Raw materials and components	41.13	39.37
Work-in-progress (refer note 20)	28.13	24.57
Finished goods (refer note 20)	4.29	1.16
Stores & spares, Packing material & fuel	1.97	0.81
<b>Total</b>	<u>75.52</u>	<u>65.92</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	Non-current		Current	
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>16. Cash and bank balances</b>				
<b>Cash and cash equivalents</b>				
<i>Balances with banks:</i>				
– On current accounts	-	-	4.39	14.66
– Deposits with original maturity of less than three months	-	-	-	-
Cash on hand	-	-	<b>2.07</b>	1.81
	-	-	6.46	16.47
<b>Other bank balances</b>				
– Deposits with original maturity for more than 12 months	-	-	-	-
– Deposits with original maturity for more than 3 months but less than 12 months	-	-	54.72	51.81
– Margin money deposit	-	-	-	-
– Other bank balance on current account	-	-	<b>0.98</b>	0.98
	-	-	55.70	52.79
	-	-	<b>62.17</b>	69.26
Amt disclosed under the head other non current assets (Refer Note 14)	-	-	-	-
<b>Net Amount</b>	-	-	<b>62.17</b>	69.26

- a) Fixed deposits are subject to first charge to secure the bank overdraft facility and bank guarantees issued in favour of the company.
- b) Margin Money deposit are subject to first charge to secure the bank gurantees issue by the Central bank of India in the favour of company of equal amount to various parties.

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>17. Revenue from operations</b>		
Revenue from operations		
Gross Revenue from operations	<b>1,194.95</b>	1,228.21
Less:- Excise duty	<b>41.14</b>	44.32
Net Revenue from operations	<b>1,153.82</b>	<b>1,183.89</b>
<b>Break up of revenue from operations</b>		
<b>Chemical Division (Manufacturing &amp; Trading without other operating income)</b>	<b>557.63</b>	557.89
<b>Infrastructure Division (Service Income)</b>	<b>596.18</b>	626.00
<b>Total</b>	<b>1,153.82</b>	<b>1,183.89</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>18. Other Income</b>		
Interest income on		
Bank deposits	5.78	5.26
Others	0.07	0.11
Foreign exchange fluctuation Gain	0.54	0.10
Sale of DEPB license/Duty drawback	2.88	3.50
Misc income	8.33	13.69
Sundry Credit Balance w/off	12.71	0.08
<b>Total</b>	<b>30.31</b>	<b>22.74</b>
<b>19. Cost of raw material and components consumed</b>		
Inventory at the beginning of the year	39.37	7.83
Add: Purchases	447.20	449.10
Less: inventory at the end of the year	41.13	39.37
Cost of raw material and components consumed	<b>445.44</b>	<b>417.54</b>
<b>Details of raw material and components consumed</b>		
Toluene	171.68	169.56
Caustic Soda Lye	20.39	17.10
SN 150	10.97	10.74
Poly Iso Butyne	35.78	27.07
SN 500	23.06	24.28
Heavy Alkylate	25.70	19.29
Others including trading goods	157.87	149.49
<b>Total</b>	<b>445.44</b>	<b>417.54</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions	(Increase) / decrease ₹ millions
<b>20. Changes in inventories of finished goods, work-in-progress and traded goods</b>			
Inventories at the end of the year			<b>31-Mar-14</b>
Work-in-progress	28.13	24.57	(3.55)
Finished goods	4.29	1.16	(3.13)
	<u>32.42</u>	<u>25.74</u>	<u>(6.68)</u>
Inventories at the beginning of the year			31-Mar-13
Work-in-progress	24.57	15.96	(8.62)
Finished goods	1.16	7.89	6.73
	<u>25.74</u>	<u>23.85</u>	<u>(1.89)</u>
	<u>6.68</u>	<u>1.89</u>	
	<b>31-Mar-14</b> ₹ millions	31-Mar-13 ₹ millions	
<b>Work-in-Progress</b>			
Benzoic Acid	9.99	5.87	
Sodium petroleum Sulphate	0.19	0.59	
Industrial lubricant	17.95	18.11	
	<u>28.13</u>	<u>24.57</u>	
	-	-	
<b>Finished Goods</b>			
Benzoic Acid	0.51	-	
Sodium Benzoate	1.71	-	
Sodium petroleum Sulphate	0.03	0.11	
Industrial lubricant	1.34	0.76	
Others*	0.70	0.30	
	<u>4.29</u>	<u>1.16</u>	
	<b>31-Mar-14</b> ₹ millions	31-Mar-13 ₹ millions	
<b>21. Employee benefits expense</b>			
Salaries, wages and bonus	52.83	47.53	
Contribution to provident and other funds	0.56	0.58	
Gratuity expense (note 30)	1.51	4.28	
Staff welfare expenses	1.73	2.05	
<b>Total</b>	<u>56.63</u>	<u>54.43</u>	



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>22. Other expenses</b>		
Power & Fuel Charges	68.33	62.97
Water Charges	4.35	3.08
Stores, Spares and Packing Material Consumed	31.58	32.85
Labour/Service charges, Freight, Warehousing and Handling charges etc.	72.56	51.64
Insurance	1.87	1.79
Repairs & Maintenance (Machinery)	11.25	15.23
Travelling & Conveyance expenses	12.52	11.43
Motor car expenses	0.80	0.21
Printing & Stationary	1.47	1.33
Postage, Telephone and Airfreight	2.56	2.86
Rent	45.32	69.43
Rates & taxes	0.11	0.38
Legal, Professional, Consultancy and Service chgs.	19.23	18.83
Licence & Application fee	0.49	0.55
Directors sitting fees	0.02	0.06
Stock exchange listing fees	0.03	0.03
Auditors remuneration (Please refer to below note 22.1)	0.70	0.70
Donation	0.11	0.51
General expenses	4.13	3.36
Foreign exchange fluctuation loss	-	0.40
Bad debts written off	0.38	11.90
Membership, Subscription & Periodicals	0.10	0.16
Sales Promotion and Other Marketing expenses	3.88	9.00
Advertisement expenses	1.37	1.48
Distribution expenses	8.13	8.93
Brokerage & commission	3.71	4.23
Discount given	0.94	2.90
Sundry balances w/off	0.20	0.16
<b>Total</b>	<b>296.13</b>	<b>316.37</b>

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>22.1 Payment to auditor</b>		
As auditor:		
Audit fee (Excluding Service tax)	0.70	0.70
Reimbursement of expenses	-	-
<b>Total</b>	<b>0.70</b>	<b>0.70</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>23. Exceptional &amp; Prior period Income/(Expenses)</b>		
Redemption premium on repayment of principal loan	(2.50)	(3.50)
Prior Period Expenses	(67.05)	(5.62)
	<u>(69.55)</u>	<u>(9.12)</u>
Prior Period Expenses comprises		
Rates and Taxes	-	0.41
Repairs & Maintenance	1.56	0.60
Printing & Stationary	0.01	-
Professional fees	1.07	0.41
Service Tax payment under VCES,2013	62.25	-
Transportation Expenses	0.03	0.01
Brokerage & Commission	0.05	0.11
Lease Rent	-	4.08
Interest paid	2.07	-
Others	0.01	-
<b>Total</b>	<u>67.05</u>	<u>5.62</u>
	-	-
<b>24. Depreciation and amortization expense</b>		
Depreciation of tangible assets	186.61	180.93
Amortization of intangible assets	-	-
Depreciation of investment property	-	-
	<u>186.61</u>	<u>180.93</u>
Less: recoupment from revaluation reserve	-	-
	<u>186.61</u>	<u>180.93</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>25. Finance costs</b>		
Interest on Term Loan to financial Institutions	125.66	134.70
Bank charges and Commission and interest paid to others including interest on OD.	9.51	8.15
	<u>135.17</u>	<u>142.85</u>
<b>26. Earnings per share (EPS)</b>		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
<b>Total operations for the year</b>		
Profit/ (loss) after tax	1.28	87.28
	<b>No. millions</b>	<b>No. millions</b>
Weighted average number of equity shares in calculating basic EPS	51.78	51.78
<b>Effect of dilution:</b>		
Convertible preference shares	-	-
Convertible bonds	-	-
Stock options granted under ESOP	-	-
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<u>51.78</u>	<u>51.78</u>
Earning per share (₹) Basic	0.02	1.69
Earning per share (₹) Diluted	0.02	1.69

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

27. Contingent Liabilities not provided for	(₹ in millions)	
Particulars	31-Mar-14	31-Mar-13
Claims filed by Seventeen parties before different courts against company not acknowledge as Debt including the claim partly acknowledged.	94.88	94.88
Claim for delayed interest(disputed) made by three parties namely M/s Sahastraa Export and M/s Harsh Industries and M/s Fab trade.	9.44	9.44
Claims by Two co-op banks by filing recovery suits in respect of guarantees alleged to have been issued by company	22.32	22.32
Contingent Liabilities in respect of pending Sales Tax re-assessment	50.00	50.00
Claim of The State Trading Corporation Ltd in respect of unrealized exports bills of The State Trading Corporation Ltd	113.50	113.50
Claim of Jawaharlal Nehru Port Trust & Marmagao Port Trust in Arbitration	Amount indeterminate	Amount indeterminate
Income Tax demand (Pertains to interest charged u/s 234A/B/C and 220(2) of I.T. Act 1961) in respect of Assessment Year 1999-00 and 2000-01. In this respect the company has approached to BIFR for waiver of overall interest. And looking in to company's financial crisis our plea is likely to be accepted.	28.21	37.63

### 28. Capital Commitments

Estimated amount of contract remaining to be executed on capital account, net of advances, not provided for is ₹ 18.33 Million (Previous year ₹ 55.00 Million)

29. Capital and Reserves of the company has been fully eroded by the net losses, the necessary reference to the Board for Industrial & Financial Reconstruction (BIFR) had been made and the company was declared as sick vide order of BIFR passed in May, 2010, wherein the board has appointed Operating Agency to prepare a revival scheme for the Company. In April'2013 Draft rehabilitation scheme (DRS) was circulated to public for suggestion and objections.

### 30. Gratuity and other post-employment benefit plans:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or

more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is non-funded.

The following tables summaries the components of net benefit expense recognized in the profit and loss account and amounts recognized in the balance sheet for the respective plans.

### Statement of profit and loss account Net employee benefit expense recognized in the employee cost

Gratuity		
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
Current service cost	1.00	1.01
Interest cost on benefit obligation	0.80	0.62
Expected return on plan assets	-	-
Net actuarial( gain) / loss recognised in the year	(1.30)	1.39
Past service cost	-	-
Net benefit expense	0.49	3.02
Actual return on plan assets	-	-

### Balance sheet Provisions of gratuity

Gratuity		
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
Defined benefit obligation		
Fair value of plan assets	-	-
	10.16	10.01
Less: Unrecognised past service cost	-	-
<b>Plan asset / (liability)</b>	<b>10.16</b>	<b>10.01</b>

### Changes in the present value of the defined benefit obligation are as follows:

Gratuity		
	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
Opening defined benefit obligation	10.01	7.60
Interest cost	0.80	0.62
Current service cost	1.00	1.01
Benefits paid	(0.34)	(0.61)
Actuarial (gains) / losses on obligation	(1.30)	1.39
Closing defined benefit obligation	10.16	10.01

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Gratuity		
	31-Mar-14 %	31-Mar-13 %
Discount Rate	9.10%	8.10%
Employee turnover		
- Younger Ages	5%	5%
- Older Ages	1%	1%
Salary increase rate	6%	6%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority,

promotion and other relevant factors, such as supply and demand in the employment market.

31. There are no dues to Micro, Small and Medium Enterprises as defined under "The Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2014. This information has been determined to the extent; such parties have been identified on the basis of the information available with the Company.
32. Since the paid up share capital of Company is more than ₹ 50 million, It is required to employ whole time secretary as per the provisions of section 383A of the Companies Act, 1956. Since company is suffering from great financial crisis and cost efficient Company Secretary is not available for reasonable remuneration, accordingly the Company has outsourced all its secretarial work to professional CS firm.

**33. Related Parties Disclosure**

- a) Names of related parties and related party relationship

<b>Related parties where control exists</b> irrespective of whether transactions have occurred or not	Nil
<b>Related parties with whom transactions have taken place during the year</b>	
Key Management Personnel	Mr.Rishi Pilani/ Raunak Pilani (Promoter Directors)
Relatives of key management personnel	Ravi Pilani(Brother of Rishi Pilani) Poonam Pilani(Wife of Rishi Pilani) Manju Pilani(Mother of Raunak Pilani) Sushila Pilani(Mother of Rishi Pilani) Ramakant Pilani(Father of Raunak Pilani) Ramesh Pilani(Father of Rishi Pilani)
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>	Futuristic Offshore Services And Chemical Ltd Agarwal Chemicals Susram Financial Services and Techniques Pvt Ltd. Agarwal Bulk Actives Pvt.Ltd. Ganesh Risk Management Pvt. Ltd Ganesh Investment and Financial Technics Pvt Ltd Ganesh Energene Limited Ganesh Medicament Pvt Ltd Poonam Software Solutions Pvt. Ltd.

# Ganesh Benzoplast Limited

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

b) Related Party Disclosure- Disclosure in respect of transactions with related parties

Name of related party/ Nature of Transaction	Sale Of Goods	Purchase Of Goods	Services obtained	Salary Paid	Loans/ Advances Given to	Loans / Advances Taken from	Loans / Advances recovered from old Balances	Loans / Advances repaid to	Provision for doubtful debts	Closing Balance (Dr)	Closing Balance (Cr)
Futuristic Offshore Services And Chemical Ltd	-	-	-	-	1.18	-	-	-	-	152.84	-
	-	-	-	-	-	-	(5.95)	-	-	(151.66)	-
Agarwal Chemicals	-	-	-	-	-	-	0.04	-	-	4.07	-
	-	-	-	-	(0.01)	-	-	-	-	(4.11)	-
Susram Financial Services and Techniques Pvt Ltd.	-	-	-	-	-	-	-	0.02	-	-	190.33
	-	-	-	-	-	-	-	(14.27)	-	-	(190.35)
Agarwal Bulk Active Pvt.Ltd.	10.73 (15.83)	-	-	-	-	3.67	-	-	-	-	5.53 (1.86)
Manju Pilani	-	-	-	0.63 (0.63)	-	-	-	-	-	-	-
Ramakant Pilani	-	-	-	0.64 (0.64)	-	-	-	-	-	-	-
Ramesh Pilani	-	-	-	0.63 (0.64)	-	-	-	-	-	-	-
Sushila Pilani	-	-	-	0.62 (0.62)	-	-	-	-	-	-	-
Ravi Pilani	-	-	-	0.64 (0.61)	-	-	-	-	-	-	-
Raunak Pilani	-	-	0.96 (3.60)	-	-	-	-	-	-	-	-
	-	-	-	(0.58)	-	-	-	-	-	-	-
Rishi Pilani	-	-	-	2.50 (1.24)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-

Note: Figures in brackets indicate previous year balance.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014****34. Unhedged foreign currency exposure**

Particulars of unhedged foreign currency exposure at the reporting date (in ₹millions)

Particulars	31-Macrh-2014		31-Macrh-2013	
	USD	INR	USD	INR
<b>Export trade receivable</b>				
Al Bader Est	0.03	1.63	0.03	1.63
BMS Charleston(s)	0.01	0.38	-	-
Forth Industries Inc	-	-	0.03	1.52
Deltech Shanghai Ltd.	0.04	2.45	-	-
Hawk Petroleum Pte Ltd	0.04	2.36	-	-
Jasmore & Co. S.A	-	-	0.03	1.68
Logistic Usnited Est	0.01	0.45	0.01	0.30
Mahakal International Ltd	0.01	0.73	-	-
Marbar Srl	-	-	0.03	1.51
Mubeco Petroleum Company Limited	-	-	0.09	5.13
Octane Incorporated Fzc.	0.02	1.05	0.02	1.05
Sunalco International Trading Co. Ltd	0.03	1.92	-	-
Ulaex Sa	-	-	0.00	0.02
<b>Advance received from customers</b>				
Dar Al Turbinat	0.18	11.01	-	-
Deltech Shanghai Ltd.	-	-	0.06	3.14
Emirates Lube Oil Co. Ltd	-	-	0.00	0.13
Hawk Petroleum Pte Ltd	-	-	0.00	0.01
Kimya Trading Llc	-	-	0.15	8.22
Kuwait Finance House (K.S.C.)	0.00	0.00	0.00	0.01
Levent Oral	0.01	0.40	-	-
Male Aerated Water company Pvt. Ltd	0.00	0.03	-	-
Marbar Srl	0.01	0.39	-	-
Poly M-San Ve Tic Ltd Sti	-	-	0.00	0.01
Prime Chemicals	-	-	0.00	0.16
Pt Gedio Makmur	-	-	0.00	0.17
Trishul Trad Links	0.00	0.21	-	-
Universal Lubricants Factory (Zinol) Llc	0.02	1.13	0.02	1.13

**35. Value of imports calculated on CIF basis**

(₹ in millions)

Particulars	31-Mar-14	31-Mar-13
Raw Materials / Capital goods	3.05	0.81

**36. Earnings in foreign currency (Accrual basis)**

(₹ in millions)

Particulars	31-Mar-14	31-Mar-13
Exports at F.O.B. Value	119.61	95.81

# Ganesh Benzoplast Limited

## 37. Segment information

### 1) Business segments-Primary Segment

Year ended 31 March 2014					(₹ millions)	
Particulars	Chemical Division		LST Division		Total C.Y.	Total P.Y.
	CY	PY	CY	PY		
<b>Revenue</b>						
External sales	587.94	580.63	596.18	626.00	1,184.13	1,206.63
Inter segment sales	-	-	-	-	-	-
<b>Total revenue</b>	<b>587.94</b>	<b>580.63</b>	<b>596.18</b>	<b>626.00</b>	<b>1,184.13</b>	<b>1,206.63</b>
<b>Results</b>						
Segment results	(61.74)	(46.28)	267.75	285.52	206.01	239.24
Unallocated Corporate Income/(Expenses)	-	-	-	-	-	-
<b>Operating profit</b>					206.01	239.24
Finance costs					(135.17)	(142.85)
Exceptional and Prior period Income/(Expenses)					(69.55)	(9.12)
<b>Profit before tax</b>					1.28	87.27
Income taxes					-	-
<b>Net profit</b>					1.28	87.27
<b>As at 31 March 2014</b>						
Segment assets	504.92	567.84	1,215.64	1,292.58	1,720.56	1,860.42
Unallocated assets(Including -ve reserves)	-	-	-	-	654.88	539.60
<b>Total assets</b>	<b>504.92</b>	<b>567.84</b>	<b>1,215.64</b>	<b>1,292.58</b>	<b>2,375.45</b>	<b>2,400.02</b>
Segment liabilities	281.94	231.53	81.41	76.33	363.36	307.86
Unallocated liabilities	-	-	-	-	2,012.09	2,092.16
<b>Total liabilities</b>	<b>281.94</b>	<b>231.53</b>	<b>81.41</b>	<b>76.33</b>	<b>2,375.45</b>	<b>2,400.02</b>
<b>Other segment information</b>						
Capital expenditure: Tangible seets	29.18	46.66	94.79	77.72	123.98	124.38
Depreciation	64.77	65.00	121.84	115.93	186.61	180.93
Other non-cash expenses	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Samria & Co.**

Chartered Accountants  
Firm Regn. No. 109043W

For and on behalf of the board of directors of  
Ganesh Benzoplast Limited

**CA S.R. Rathi**

Partner  
Membership no.: 112376

**Rishi Pilani**

[Chairman & Managing Director]

**Raunak Pilani**

[Director]

Place: Mumbai

Date: 30<sup>th</sup> May, 2014



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014**

	31-Mar-14 ₹ millions	31-Mar-13 ₹ millions
<b>Cash flow from operating activities</b>		
<b>Profit before tax from continuing operations</b>	1.28	87.28
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	186.61	180.93
Interest expense	135.17	142.85
Interest income	(5.85)	(5.38)
<b>Operating profit before working capital changes</b>	<b>317.21</b>	<b>405.68</b>
Movements in working capital :		
Increase/ (decrease) in trade payables	55.49	111.26
Increase / (decrease) in long-term provisions	0.82	2.62
Increase / (decrease) in short-term provisions	0.22	0.70
Increase/ (decrease) in other current liabilities	(32.64)	37.85
Decrease / (increase) in trade receivables	28.55	(86.64)
Decrease / (increase) in inventories	(9.61)	(33.38)
Decrease / (increase) in long-term loans and advances	(15.55)	(12.22)
Decrease / (increase) in short-term loans and advances	(80.00)	(57.97)
Decrease / (increase) in other current assets	(5.20)	(8.49)
Decrease / (increase) in other non current assets	-	7.90
Cash generated from /(used in) operations	<b>(57.91)</b>	<b>(38.36)</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>259.31</b>	<b>367.32</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances	(87.30)	(161.57)
Investments in bank deposits (having original maturity of more than three months)	(2.92)	(5.13)
Interest received	5.85	5.38
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(84.37)</b>	<b>(161.32)</b>
<b>Cash flows from financing activities</b>		
Repayment of long-term borrowings	(55.17)	(71.25)
Proceeds from long-term borrowings	-	-
Proceeds from Short-term borrowings	-	-
Repayment of Short-term borrowings	5.40	(4.70)
Interest paid	(135.17)	(142.85)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(184.94)</b>	<b>(218.79)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(10.01)</b>	<b>(12.79)</b>
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	-
Cash and cash equivalents at the beginning of the year	16.47	29.26
<b>Cash and cash equivalents at the end of the year</b>	<b>6.46</b>	<b>16.47</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	2.07	1.81
With banks- on current account	4.39	14.66
- on deposit account	-	-
- unpaid dividend accounts	-	-
- unpaid matured deposits	-	-
- unpaid matured debentures	-	-
<b>Total cash and cash equivalents (note 16)</b>	<b>6.46</b>	<b>16.47</b>
<b>Summary of significant accounting policies</b>		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Samria & Co.**

Chartered Accountants  
Firm Regn. No. 109043W

**CA S.R. Rathi**

Partner

Membership no.: 112376

Place: Mumbai

Date: 30<sup>th</sup> May, 2014

For and on behalf of the board of directors of  
Ganesh Benzoplast Limited

**Rishi Pilani**

[Chairman & Managing Director]

**Raunak Pilani**

[Director]





## GANESH BENZOPLAST LIMITED

Regd. Office : Dina Building, 1st Floor, 53, Maharishi Karve Road, Marine Lines – East, Mumbai – 400 002.

### ATTENDANCE SLIP

Please sign this attendance slip and hand it over at the entrance of the Hall to facilitate registration formalities at the meeting place.

I hereby record my presence at the **27th ANNUAL GENERAL MEETING** of the Company to be held on **Tuesday the 30th September, 2014 at 10.00 a.m.** at Shri Rajasthan Recreation Club, Plot no. 3, J.B. Nagar, Andheri ( East ), Mumbai – 400 059.

**Full Name :** \_\_\_\_\_  
( in block letters )

**Signature :**

(i) Member : \_\_\_\_\_

(ii) Proxy : \_\_\_\_\_ L.F. No. : \_\_\_\_\_

----- ( Tear Here ) -----



## GANESH BENZOPLAST LIMITED

Regd. Office : Dina Building, 1st Floor, 53, Maharishi Karve Road, Marine Lines – East, Mumbai – 400 002.

### PROXY FORM

I / We, \_\_\_\_\_ of \_\_\_\_\_ being a member / members of **GANESH BENZOPLAST LIMITED**, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ as my / our proxy to vote for me / on our behalf at the **27th Annual General Meeting** of the Company to be held on **Tuesday, the 30th September, 2014, at 10.00 a.m.** at Shri Rajasthan Recreation Club, Plot No. 3, J.B. Nagar, Andheri ( East ), Mumbai – 400 059 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\*\*I wish my above Proxy to vote in the manner as indicated in the box below:

S. No.	Resolutions	For	Against
1.	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Shri Raunak R. Pilani who retires by rotation		
3.	Appointment of Auditors		
4.	Appointment of Shri Rameshkumar D. Punjabi as Independent Director		
5.	Re-appointment of Shri Nalinakshan K. who retires by rotation.		
6.	Re-appointment of Shri Rishi R. Pilani who retires by rotation and to fix his remuneration.		

Signature of Member \_\_\_\_\_

Affix  
Re. 1  
Revenue  
Stamp

**Note :** This Proxy Form duly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.



*If undelivered please return to:*

**GANESH BENZOPLAST LIMITED**

**REGISTERED OFFICE :**

Dina Building, 1st Floor,  
53, Maharshi Karve Road,  
Marine Lines, Mumbai - 400 002