

# **SHREE GANESH ELASTOPLAST LIMITED**

## **20<sup>TH</sup> AUDITED ANNUAL REPORT FOR THE YEAR 2013-14**



### **DISCLAIMER STATEMENT**

THIS AUDITED ANNUAL REPORT CONTAINING AUDITED BALANCE SHEET, PROFIT & LOSS ACCOUNT, SCHEDULES, NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31/03/2014 AND THE DOCUMENTS ATTACHED THERETO I.E REPORT OF THE AUDITORS, BOARD OF DIRECTORS, REPORT ON THE CORPORATE GOVERNANCE AND ANY OTHER ATTACHMENTS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT 1956 AS PER GENERAL CIRCULAR 08/2014 ISSUED VIDE LETTER NO. 1/19/2013-CL-V DATED 04.04.2014 AND APPLICABLE PROVISIONS OF VARIOUS SECTIONS OF COMPANIES ACT 2013 WHICH WERE MADE APPLICABLE W.E.F 12/09/2013.HOWEVER IN PREPARATION OF THIS REPORT AT SOME PLACES A REFERENCE OF VARIOUS SECTIONS OF COMPANIES ACT 2013 ARE ALSO MADE AS AN ABUNDUNT CAUTION.

**TWENTITH ANNUAL GENERAL MEETING PROGRAMME**

DATE : 30<sup>TH</sup> SEPTEMBER, 2014  
 DAY : Tuesday  
 TIME : 11.00 A.M.  
 VENUE : 119, Gr.Floor, Kamdhenu Complex  
 Opp.Sahjanad Colleege, Polytechnic Road,  
 Ahmedabad: 380015

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**NOTE TO SHAREHOLDERS:**

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

**BOARD OF DIRECTORS**

Shri Nitin. H. Mehta, *Chairman & Managing Director*  
 Shri Bharatkmar V Mashruwala, *Whole Time Director & COO*  
 Shri Harishbhai Ratilal Mehta, *Director*  
 Shri Mihir R. Shah, *Director*  
 Shri Mayukh J. Pandya, *Director*  
 Shri Sarmistha R Shah, *Director*  
 Shri Ramesh S Shah, *Director*

**COMPANY LAW CONSULTANT**

M/s Kamlesh M. Shah & Co., Company Secretaries,  
 801- A, Mahalay Building,  
 Opp. Hotel President,  
 Off. C.G. Road,  
 Ahmedabad – 380 009

**BANKERS OF THE COMPANY**

Central Bank of India, Ahmedabad

**STATUTORY AUDITORS**

M/S Sunil Dad & Co.,  
 1016, Anand Mangal III,  
 Near Parimal Cross Roads,  
 Ellisbridge, Ahmedabad: 380 006.

**LISTING AT**

Ahmedabad Stock Exchange	The Bombay Stock Exchange
Kamdhenu Complex,	25th Floor, P.J. Towers,
Nr. Panjarapole,	Dalal Street, Fort,
Ahmedabad 380 015	Mumbai 400 001

**REGISTERED OFFICE**

119, Gr.Floor, Kamdhenu Complex,  
 Opp.Sahajanad Collage,  
 Dist: Ahmedabad: 380 015.

**REGISTRARS & SHARE****TRANSFER AGENTS**

Skyline Financial Services Pvt Ltd  
 D-153 A, First Floor, Okhla Industrial Area, Phase - 1,  
 New Delhi, Delhi, 110020

**NOTICE TO THE MEMBERS**

(Note: The business of meeting may be transacted through electronic voting system. For detailed information please refer note no. 14)

Notice is hereby given that 20<sup>th</sup> Annual General Meeting of the members of Shree Ganesh Elastoplast Limited will be held on Tuesday 30<sup>th</sup> September, 2014, at 11:00 AM at the registered office of the company situated at 119, Gr. Floor, Kamdhenu Complex, Opp. Sahjanand Complex, Polytechnic Road, Ahmedabad 380015 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Profit & Loss Account for the year ended on 31<sup>st</sup> March, 2014, Balance Sheet as on that date, Directors' Report and the Auditors' Report thereon.
2. To Reappoint Mr. Nitin H. Mehta who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To Reappoint Mr. Harishbhai R. Mehta who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
4. To appoint Auditors M/s. Sunil Dad & Co., Chartered Accountants, as a statutory Auditor for the Company for next financial year 2014-15 and to hold the office as such from the date of conclusion of this 20<sup>th</sup> Annual General Meeting until the conclusion of the 21<sup>st</sup> Annual General Meeting and to fix their remuneration.

"RESOLVED THAT pursuant to provisions of Section 139 (1) and other applicable provisions of the Companies Act 2013 (Corresponding provisions of Section 224(1B) of the Companies Act 1956) read with Rule 4 and 6 of the companies (Audit and Auditors) Rules 2014 as in force, the consent of the members of the company be and is hereby accorded to the appointment of M/s. Sunil Dad & Co., a firm of Chartered Accountants (CA FIRM Registration Number: 126741W), as Statutory Auditors of the company for the next financial year 2014-15 and to fix their remuneration as per section 139(2) of the Companies Act 2013.

**SPECIAL BUSINESS:**

5. **To Re designated Mr. Bharatbhai V. Mashruwala as a Whole Time Director And CEO And Compliance Officer:**

**RESOLVED THAT** pursuant to section 196, 197 and 203 read with schedule V and all other applicable provisions of Companies Act, 2013, the company do and here by re-designate Mr. Bharatbhai Vinodchandra Mashruwala as Whole Time Director and CEO and Compliance Officer with no change in remuneration.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient.

6. **To Appoint Mrs. Sharmishthaben R. Shah as a Director.**

**RESOLVED THAT** pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956), Section 149(1) of the Companies Act, 2013 for appointment of woman director and the relevant article of Articles of Association of the Company, Mrs. Sharmishthaben R. Shah (holding DIN 06792907) who was appointed as an Additional Director of the company by the board of directors with effect from 22<sup>nd</sup> January, 2014 and in respect of whom the company has received a notice in writing for her appointment as an independent director of the company whose period of office shall be liable to determination for retirement of directors by rotation.

**RESOLVED FURTHER THAT** Mr. Bharat V. Mashruwala, Whole Time Director (DIN: 03440503) of the company be and is hereby authorized, empowered and instructed to file necessary form in the office of the Registrar of Companies under his digital signature, and Mr. Kamlesh M. Shah, a Practicing Company Secretary of M/s. Kamlesh M. Shah & Co., be and is hereby requested to certify such forms under his digital signature, and also to intimate all other statutory authorities in time about changes in the constitution of the board of directors of the company within time with necessary supporting documents.

**By Order of the Board of Directors of  
Shree Ganesh Elastoplast Limited**

**Date: 19<sup>TH</sup> MAY 2014  
Place: Ahmedabad**

**SD/-  
(Bharatbhai V. Mashruwala)  
Whole Time Director  
(DIN: 03440503)**

**NOTES:**

- 1) A member of the company is entitled to attend and vote at the meeting and to appoint a proxy to attend and vote and that a proxy need not be a member of the company.
- 2) Proxies in order to be effective must be received at the company's registered office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, trusts, etc., must be backed by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
- 3) A person can act as proxy on behalf of members not exceeding fifty (50) and should not hold more than ten percent of the total share capital of the company in aggregate. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) The Register of members and share transfer books of the Company shall remain closed from 22/09/2014 TO 30/09/2014 (Both days inclusive) as per the provisions of section 154 of the Companies Act 1956 and the provisions of the Clause 16 of the Listing Agreement.
- 5) The explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting, is annexed hereto.
- 6) Members desiring any information on accounts are requested to write to the company 7 days before the meeting to enable the management to keep the information ready.
- 7) Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agent, Skyline Financial Services Pvt. Ltd. Shareholders holding shares in electronic form must advise to their respective depository participants about change in address and not to company.
- 8) All shareholders are requested to dematerialize their shareholding immediately as the shares are traded compulsorily in demat segment only.
- 9) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the company.
- 10) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company
- 11) The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2014 is uploaded on the company's website [www.shreeganeshelastoplastltd.com](http://www.shreeganeshelastoplastltd.com) and may be accessed by the members.
- 12) Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
- 13) Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 14) Instructions for e-voting:  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 20<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" i.e. SHREE GANESH ELASTOPLAST LIMITED from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL : 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in physical form should enter Folio Number registered with the company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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 last 8 digits of the demat account/folio 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. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 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 member id / folio number 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 reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name SHREE GANESH ELASTOPLAST 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 password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvii) Above to cast vote.

**General Instruction:**

- (A) The voting period begins on September 22, 2014 at 10.00 a.m. and ends on September 24, 2014 at 06.00 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 31<sup>st</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (C) Mr.Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072) (Address: 801-A, Mahalay Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India), has been appointed as the Scrutinizer to scrutinize the evoting process in a fair and transparent manner.
- (D) 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.
- (E) The Results declared along with the Scrutinizer's Report shall be placed on the company's website [www.shreeganeshelastoplastltd.com](http://www.shreeganeshelastoplastltd.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 ASE and BSE Limited.

**INFORMATION ABOUT THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE 20<sup>TH</sup> ANNUAL GENERAL MEETING AS PER CLAUSE 49 OF THE LISTING AGREEMENT FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF THE COMPANY.**

Particulars	Mr. Nitin. H. Mehta
Director Identification Number.	00471515
Date of Birth.	03/01/1953
Age.	61 years
Educational Qualification.	Graduate
Experience (No. of Years)	25 Years
Business field in which Experience.	Manufacturing
Date of Appointment as Director in the Company.	28/03/1994
Directorship held in any other Company.	Magnus Rubber Industries Limited.
Member of any Committees in the Company.	N.A.
Member of any committees of the Directors in other Companies with names of the Company.	N.A.
Member of any Trade Association/ Charitable Organization/ NGOs etc.	N.A.

<b>Particulars</b>	Mr. Harishbhai R. Mehta
<b>Director Identification Number.</b>	02055933
<b>Date of Birth.</b>	17/05/1945
<b>Age.</b>	70 years
<b>Educational Qualification.</b>	Graduate
<b>Experience (No. of Years)</b>	35 Years
<b>Business field in which Experience.</b>	He is a Retired Bank Manager, having knowledge of Banking operations, Internal Control & Audit of business operations, accounting of financial transactions, financial control etc.
<b>Date of Appointment as Director in the Company.</b>	16/07/2012
<b>Directorship held in any other Company.</b>	1. Winsome Diamonds And Jewellery Limited 2. Forever Precious Jewellery And Diamonds Limited 3. Flucid Jewellery Private Limited
<b>Member of any Committees in the Company.</b>	Audit Committee Shareholder's Grievances Committee
<b>Member of any committees of the Directors in other Companies with names of the Company.</b>	N.A.
<b>Member of any Trade Association/ Charitable Organization/ NGOs etc.</b>	N.A.

<b>Particulars</b>	Mr. Sharmishthaben R. Shah
<b>Director Identification Number.</b>	06792757
<b>Date of Birth.</b>	27/05/1931
<b>Age.</b>	83 Years
<b>Educational Qualification.</b>	Graduate
<b>Experience (No. of Years)</b>	40 Years
<b>Business field in which Experience.</b>	General Management
<b>Date of Appointment as Director in the Company.</b>	22/01/2014
<b>Directorship held in any other Company.</b>	No other Directorship in any Company Held.
<b>Member of any Committees in the Company.</b>	N.A.
<b>Member of any committees of the Directors in other Companies with names of the Company.</b>	N.A.
<b>Member of any Trade Association/ Charitable Organization/ NGOs etc.</b>	N.A.

**AN EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013 TO THE RESOLUTIONS MENTIONED UNDE THE HEAD SPECIAL BUSINESS OF THE NOTICE CONVENING THE 20<sup>TH</sup> ANNUAL GENERAL MEETING.**

**ITEM NO 5: TO RE-DESIGNATE MR. BHARATBHAI V. MASHRUWALA AS A WHOLE TIME AND CEO AND COMPLIANCE OFFICER DIRECTOR OF THE COMPANY**

The Board of Directors of the company has Re-designated Mr. Bharatbhai V. Mashruwala pursuant to the provisions of Section 196, 197 and 203 read with schedule V and all other applicable provisions of Companies Act, 2013 as a Whole Time Director and CEO and Compliance Officer of the company for his remaining term of office.

It is proposed to seek the member's approval for the Re-designation of Mr. Bharatbhai V. Mashruwala, as a Whole Time Director and CEO and Compliance Officer in terms of Applicable Provisions of the Act.

Except Mr. Bharatbhai V. Mashruwala, no other director may be deemed to be interested or concerned in the proposed resolution.



**ITEM NO 6: APPOINTMENT OF MRS. SHARMISHTHABEN R. SHAH AS A DIRECTOR OF THE COMPANY**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) and 149(1) of the Companies Act, 2013 and the relevant article of Articles of Association of the Company, Mrs. Sharmishthaben R. Shah as an Additional Director of the Company with effect from 22ND January, 2014. In terms of the provisions of Section 161(1) and 149(1) of the Act, Mrs. Sharmishthaben R. Shah will hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Sharmishthaben R. Shah for the office of Director of the Company. Mrs. Sharmishthaben R. Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Board considers that the appointment of Mrs. Sharmishthaben R. Shah as a director of the company would be as per the Provisions of Section 149(1) of Companies Act 2013 as a Woman Director. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

Except Mrs. Sharmishthaben R. Shah, Mr. Mihir R. Shah may be deemed to be interested or concerned in the proposed resolution.

**Date: 19<sup>TH</sup> MAY 2014**

**Place: Ahmedabad**

**By Order of the Board of Directors of  
Shree Ganesh Elastoplast Limited**

**SD/-  
(Bharatbhai V. Mashruwala)  
Whole Time Director  
(DIN: 03440503)**

**DIRECTORS' REPORT**

To,  
The Members,  
Shree Ganesh Elastoplast Limited.

Dear Shareholders,  
Your directors have pleasure in presenting herewith the 20<sup>th</sup> Audited Annual Report for the year ended on 31<sup>st</sup> March, 2014 of your Company.

**Financial Results:**

The Financial performance of the company during the year is as under:

PARTICULARS	FOR THE YEAR ENDED ON 31/03/2014	FOR THE YEAR ENDED ON 31/03/2013
Income From Sales(Net)	51,748,126	5,386,936
Other Income	387,538	554,713
Total Income.	52,135,664	5,941,648
Total Expenses	51,788,033	8,528,728
Profit Before Tax	304,966	(2,622,381)
Depreciation	20,703	618,195
Tax Expenses	68,650	0
Deferred Tax	(4,231)	0
Provision for FBT.	0	0
Profit / (Loss) After Tax.	232,085	(2,622,381)
Net Profit / (Loss) for the Year	232,085	(3,226,360)
Other Adjustment	0	4,246,459
Previous Year Balance B/F	(28,531,220)	(29,551,318)
Balance Carried to Balance Sheet	(28,299,135)	(28,531,220)
Earnings Per Share (In Rupees)	0.04	(0.59)

**DIVIDEND:**

In the view of carried forward losses, your directors do not recommend any dividend for the year under review.

**SHARE CAPITAL STRUCTURE:**

During the year under review there were no changes in the Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

**BUY BACK OF EQUITY SHARES:**

The Company had not made any Buy Back of its paid up equity shares during the year in terms of section 77A, 77AA and 77B of the Companies Act 1956. Hence no specific disclosure is required to be made in this report.

**OPERATIONS:**

The company has engaged in business of commodities. During the year the company has earned total income of Rs. 52,135,664/- (Previous year 5,941,648/-) and total expenses of Rs. 51,788,033/- (Previous year of Rs. 8,528,728/-). After deduction of depreciation of Rs 20,703/- (Previous Year Rs. 618,195/-) and provision for tax of Rs. 68,650/-, the company has earned a net profit after tax of Rs. 232,085 /- (Previous year (2,622,381)/-). After making set off against previous year losses the net profit is Rs. 232,085 /- (Previous Year Accumulated loss of Rs. (3,226,360)/-) has been carried forward to next year.

**DEMATERIALISATION OF SECURITIES:**

The company's equity shares are admitted in the system of Dematerialization by both the depositories namely NSDL and CDSL. The company has signed tripartite agreement through Registrar and Share Transfer Agent M/s Skyline Financial Services Pvt. Ltd. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to the company is **INE400N01017**. Total share dematerialized up to 31st March 2014 were **1,568,800** which constitute 28.51%

of total capital. Your directors request all the shareholders to dematerialize their shareholding in the company as early as possible.

**CORPORATE GOVERNANCE:**

Report on Corporate Governance and management discussion and analysis as required vide Clause-49 of the Listing Agreement along with Auditors Certificate are annexed to this report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's discussion and perceptions on existing business, future outlook of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separately in Corporate Governance Report.

**DEPOSITS:**

The company has not invited or accepted any deposit, loans or finance from the public in violation of section 73(1) of Companies Act 2013 (section 58A of Companies Act, 1956) or any rules made there under.

**DIRECTORS:**

Mr. Nitin H. Mehta and Mr. Harish R. Mehta shall retire by rotation at the ensuing Annual General Meeting as per provisions of Law. They are eligible for reappointment and have offered themselves for directorship of the company. Your directors recommend for their reappointment. However, Mr. Nitin H Mehta will no longer serve the company as Managing Director from effective date of this AGM. He will continue in the management team as a director.

Particulars as required under Section 134(3)(m) of Companies Act 2013, (Section 271(1)(e) of Companies Act, 1956:

- a) Conservation of Energy: NIL (As the company is in trading and storing of commodity)
- b) Technology Absorption: In the view of no manufacturing activity, there is no technology absorption.
- c) There are no foreign exchange earnings and outgo during the year.

**PARTICULARS OF EMPLOYEES:**

There are no employees of the company who were in receipt of the remuneration of Rs.24,00,000/- annually in the Aggregate if employed for the year and in receipt of the Monthly remuneration of Rs. 2,00,000/- in the aggregate if employed for a part of the year under review. Hence the information required under Section 217 (2A) of the Companies Act, 1956 being not applicable and hence not given in this report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134(5) of Companies Act, 2013 (Section, 217(2AA) of the Companies Act, 1956) your Directors declare that:

- i) In preparation of the annual accounts, as far as possible and except to the extent if any accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are responsible 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 after the profit or loss of the company for that period.
- iii) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The Directors had prepared the annual accounts on a going concern basis.
- v) The Directors had laid down internal financial control to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The Director had devised proper system to ensure compliances with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION BY INDEPENDENT DIRECTORS: (Pursuant to Provisions of section 149(6) OF the Companies Act 2013)**

All the independent directors of the company do hereby declare that w.e.f financial year 2014-15:

- (1) All the Independent Directors of the company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (7) Who neither himself, nor any of his relatives,
  - (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed. Hence, Mr. Mihir R Shah and Mrs. Sarmistha R Shah ceased to be independent directors.
  - (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
    - (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
    - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
    - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
    - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
    - (v) Who possesses such other qualifications as may be prescribed.

**AUDITORS:**

M/s Sunil Dad & Co., Chartered Accountants, Ahmedabad retires at the ensuing Annual General Meeting and the company has received their consent under provisions of Section 139(1) of Companies Act, 2013 read with Rule 4 and 6 of The companies(Audit and Auditors) Rules, 2014 (Section 224(1B) of the Companies Act, 1956). The shareholders are requested to appoint them as auditors for next financial year i.e. 2014 - 2015.

**AUDITORS REPORT AND OBSERVATION:**

The various observations made by the auditors in their report dated 19/05/2014 are self explanatory and properly explained in Notes forming part of the accounts attached herewith. However, full explanation on each of the observation of the auditors as under:

The company has no undisputed statutory dues payable which are outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable other than:

Name of the statute	Nature of the dues	Amount (Rs.)	Other particulars
Central Sales Tax	Sales Tax	192,882	Period: Earlier Years Due date: Not ascertainable Date of payment: Not paid
Central Sales Tax	Sales Tax	123,594	Period: Earlier Years Due date: Not ascertainable Date of payment: Not paid

This is an accounting entries continued since last more than 9 Years. The Company has not received any demand notices, show cause notices or other communication from relevant authorities. The company's old VAT, Sales Tax and CST registration

numbers has been surrendered /cancelled. This amount will be written off after confirmation from relevant authorities for cancellation of CST and ST registration numbers from concerned departments.

**AUDIT COMMITTEE:**

The Company has formed the audit committee within the organization in compliance to Section 177 of Companies Act, 2013 (section 292A of Companies Act, 1956) and also in compliance with clause 49 relating to corporate governance as per listing agreement. The Complete details are given in corporate governance attached herewith.

**STATUS ON LISTING OF SHARES:**

The company has paid the Annual listing fees. The Company has complied with all listing compliances and has submitted them in timely manner. The Company has received approval from Central Depository Services Ltd and National Securities Depository Ltd and has obtained ISIN No. INE400N01017.

**ACKNOWLEDGEMENT:**

Your directors take on record and acknowledge the devotion made and hard work put by its employees, co operations at all level received from various government authorities, stock exchanges, professionals, Bankers and all other persons, institutions associated with the company.

**Date: 19<sup>TH</sup> MAY 2014**

**Place: Ahmedabad**

**For and By Order of the Board of Directors of  
of Shree Ganesh Elastoplast Limited**

**SD/-**

**(Bharatbhai V. Mashruwala)**

**Whole Time Director**

**(DIN: 03440503)**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT FORMING PART OF DIRECTORS REPORT AND ALSO A REPORT ON CORPORATE GOVERNANCE ATTACHED TO DIRECTORS REPORT.**

**CURRENT STATUS OF THE COMPANY:**

Indian economy began recovery in second half of 2013 with global economy improving at modest speed. This trend is expected to continue for next few years. Agriculture is one of the primary sectors in India contributing 14 percent of GDP and 11 per cent of India's total exports; it is also an essential link in the supply chain of the manufacturing sector and at the same time constitutes a big market for industrial products. India has largest number of farmers and rural population. India's agricultural markets have witnessed considerable transformation in recent years, with large gains in production and productivity.

Last year, the company started new line of business activity, trading in agri-commodity. Initially the company started with two commodities, castor seed and maize. Having seen good performance in FY 2012-13, the company has added one more product to its portfolio. The management believes diversifying company's portfolio will help company generate good profit in coming years. India saw bumper crop in year 2013 due to good monsoon which has helped the company to procure goods easily and at cheaper rate. The company's turnover increased almost 10 fold FY 2013- 14 due to availability of goods and finances. The management expects this trend will continue in the future and the company will able to achieve growth rate of 20 % to 25 % for next couple of years assuming normal rain.

**FUTURE COURSE OF ACTION FOR REVIVAL:**

The company has drastically increased its turnover in current year and the management is confident that this trend will continue. In order to continue at this growth rate, the management is going diversify its product mix by adding more agri-commodities in years to come. The management will focus on the commodities in which India has competitive advantage and which are export oriented such as Cumin (Jeera), Chana etc. This business strategy will help company to procure commodities easily and at competitive rates. The management is trying hard to get finance available from various financial institutions to expend its balance sheet. The management believes availability of fund can improve purchasing power of the company which eventually transforms into high profitability.

**CAUTIONARY STATEMENTS:**

The statements made in the report are based upon assumptions and expectations of future events. Actual results could however differ in future. The company assumes no responsibility in respect of forward looking statements that may be amended or modified later on the basis of subsequent developments, information and also subject approvals, consents of members in AGM/ EGM and also subject approvals from various government agencies, departments, etc. Any future non compliances or non performance may occur in the event of non receipt of such approvals, consents or any other events which may occur in future beyond the control of the management or company.

**ANNEXURE-A TO DIRECTORS' REPORT  
REPORT ON CORPORATE GOVERNANCE.**

**CORPORATE PHYLOSOPHY:**

The company believes that good corporate governance practices enable the Board to direct and control the affairs of the company in an efficient manner. At the same time it is also providing transparency in all its day to day management and administration of the business and affairs of the company. Timely information to investors, creditors, institutions, bankers, general public in proper manner also provide them with an opportunity to take right decision on investment in the company whether by way of equity or by debt instrument or even by financing or by making business transactions.

The various systems of controlling and monitoring, and guidance received from non executive independent directors improve the health of the system of administration and also put a check on the middle management.

**COMPANY'S STRATEGY:**

As per provisions of the Listing Agreement clause 49, the company is required to implement and introduce the system of corporate governance within the organization. In compliance with the same, the company is adhering to comply with the requirements by publishing the financial information and shareholder relevant information through various channels including stock exchange platform in timely manner. In addition, the company has also formed various committees within the company which are in compliance with the listing agreement guidelines.

**BOARD COMPOSITION AND ATTENDANCE OF DIRECTORS AT MEETINGS:**

The company's present Board of Directors comprises of 6 Directors out of which 1 is Promoter Directors, 1 is whole time director and 4 are Non Promoter independent directors. The Chairman of the Company is promoter. The Company is meeting with the criteria of having 33% Non Promoter, Non Relative and Independent Directors as per requirements of the clause 49 of the Listing Agreement.

The Present Composition of the Board of Directors is as under:

	Name of Director	Designation	Type	Executive / Non Executive	No. Board Meeting Attended
2.	Mr. Nitin. Harshadbhai Mehta	Chairman and Director	Promoter and Managing Director.	Executive	5
	Mr. Harishbhai Ratilal Mehta	Director	Non Promoter and Director	Non Executive	5
	Mr. Mihir Ramesh chandra Shah	Director	Non Promoter and Director	Non Executive	5
	Mr. Mayukh Jaydev prasad Pandya	Director	Non Promoter and Director	Non Executive	5
	Mr. Bharatkumar Vinodchandra Mashruwala	Whole Time Director	Non Promoter and Director	Executive	5
	Mrs. Sharmishthaben R. Shah	Director	Non Promoter and Director	Non Executive	1
	Mr. Ramesh Sarabhai Shah	Director	Non Promoter and Director	Non Executive	1

**COMPOSITION OF VARIOUS COMMITTEES WITHIN THE ORGANISATION:****AUDIT COMMITTEE:**

The audit committee of the Board of Directors is as under:

Sr. no.	Name	Type	No. of Meeting Attended
1.	Shri Harishbhai R. Mehta	Chairman	5
2.	Shri Mihir R. Shah	Member	5
3.	Shri Mayukh J. Pandya	Member	5

**(A) FUNCTION OF AUDIT COMMITTEE:**

The audit Committee is headed by Shri Harishbhai R. Mehta as Chairman, Retired Bank Manager, having knowledge of Banking operations, Internal Control, Internal Audit of business operations, financial control, accounting of financial transactions etc. He has more than 30 years of banking experience and also working as audit consultant for various banks and other corporations. He is further assisted by two independent directors namely Shri Mihir R Shah and Shri Mayukh J Pandya. Shri Mihir R Shah has business experience over 30 years. He has through knowledge of working, usage and accounting of financial products, which company uses to hedge its underlying exposure. Shri Mayukh J. Pandya is a legal professional. He has more than 15 years of experience in legal consulting. The Finance Manager is acting as coordinator, and provides feedback on daily financials and accounting position of the company to the committee on regular basis.

The Committee meets at least once every quarter and prepares its minutes on the proceedings and business discussed and transacted. The Committee reports and takes action on Internal Auditors Report. All committee reports and minutes are placed before the Board in all its meetings for information, guidance, directions and record keeping. In addition the Committee also reviews the reports of the Internal Auditors and obtains guidance from the internal auditors, statutory auditors and other professionals of corporate repute from time to time to make timely compliances and payment of statutory dues.

**(B) ROLE AND RESPONSIBILITY OF AUDIT COMMITTEE:**

Functions of the Audit Committee includes to oversee company's financial reporting process and information disclosure, to recommend appointment of statutory auditors and their remuneration, to review and discuss internal control systems with the auditors. Further the committee over-looks the scope of auditor including the observation of the auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliance with accounting policies, practices and entries, compliance with accounting standards and listing agreement and other legal requirements. Also, the committee reviews quarterly, half yearly and annual financial statements before they are submitted to the Board of Directors.

The Committee also meets the operating management personal and reviews the operations, new initiatives and performance of the business units. Minutes of the Audit Committee meeting are circulated to the Member of the Board, discussed and taken on record.

**INVESTOR GRIEVANCE COMMITTEE****(A) TERMS OF REFERENCE:**

Investor Grievance looks into investor complaints if any, and redresses the same expeditiously. Beside the committee approves allotment, transfer & transmission of shares, debentures, any new certificates on split \ consolidation \ renewal etc. as may be referred to it by the Board of Directors. In addition the committee also looks in to compliance with stock exchange listing agreement and circulation of shareholder and general public interest information through proper media and stock exchanges from time to time.

**(B) FORMATION:**

The Investors Grievance Committee presently comprises all Non Executive Directors. During the year the Committee held 12 meeting (Last Saturday of every month) The Attendance of Members at the Meeting was as follows:



Sr. no.	Name	Type	No. of Meeting Attended
1.	Shri Mihir. R. Shah	Chairman	12
2.	Shri Mayukh J Pandya	Member	12
3.	Shri Harishbhai R. Mehta	Member	12

**(C) FUNCTIONS OF INVESTORS SERVICES COMMITTEE:**

The company has merged in this committee its earlier committee of share Transfer. This Committee looks in to all aspects related to Shares, Bonds Securities and retail investors. The committee also looks after the dematerialization process of equity shares. The Committee is also empowered to keep complete records of shareholders, statutory registers relating to shares and securities, maintaining of the complete record of share dematerialized, and complaints received from investors and other various agencies.

The committee has also appointed Mr. Kamlesh M Shah Practicing Company secretary as consultants to look after the legal cases and problems relating to the investors, shares securities etc.

The committee meets every month to approve all the cases of shares demat, transfer, issue of duplicate and resolution of the investors' complaints, submission of information to various statutory authorities like NSDL / CDSL SEBI stock Exchanges Registrar of companies periodically and from time to time.

Other function roles duties powers etc. have been clearly defined in line with the clause 49 of the Listing Agreement and kept flexible for medication by the Board from time to time.

**REMUNERATION COMMITTEE**

The Remuneration committee comprises all 3 independent Directors which are as under:

Sr. no.	Name	Type	No. of Meeting Attended
1.	Shri Mihir. R. Shah	Chairman	4
2.	Shri Harish R Mehta.	Member	4
3.	Shri Mayukh J. Pandya	Member	4

**(A) TERMS OF REFERENCE:**

The remuneration committee comprises of all non executive independent directors. It is headed by Mr. Mihir R. Shah, independent director of the company. The committee is entrusted to do the following work.

- (i) To ascertain the requirements of and appointment of Key Managerial personals.
- (ii) To prescribe rules, regulations, policy, requirements of qualifications and experience of key managerial personnel.
- (iii) To decide the terms of conditions of employment and responsibilities, authorities of all executive directors, Managing Director and to ensure that they discharge their duties diligently and report to Board regularly.
- (iv) To fix the remuneration payable to Managing Director, Executive Director, Whole Time Directors.
- (v) To decide on distribution of profits as commission amongst various executive and non executive directors.
- (vi) To design, frame and make policy for remuneration payable for key managerial personnel and up to 3<sup>rd</sup> rank departmental heads by way of issue of shares as ESOP or stock options or otherwise including to provide staff loans/ advances to subscribe to any ESOPs or Stock options by employees of the company.

Further except the cash reimbursement of actual expenses incurred by directors, no other benefits in the form of stock options or ESOP etc. are being offered to any directors of the Company or to any key managerial personnel for the year. As the company has long overdue accumulated losses in its books of accounts; it is not paying any sitting fees or commission of net profit or any other remuneration in kind to any of its directors. The Company does not have any key managerial personnel receiving remuneration of more than Rs. 200,000/- Per Month.

The company is regular in labor compliances and payment of statutory labor dues with relevant authorities in time.

**NO OF BOARD AND COMMITTEE MEETING HELD DURING THE YEAR:**

Name of the Committee	No. of Meeting held
Board Of Directors	5
Audit Committee Of Board	5
Remuneration Committee	4
Investor Grievance Committee	12

**DIRECTORS PRESENT AT THE LAST ANNUAL GENERAL MEETING DATED SEPTEMBER 28, 2013.**

Sr. No.	Name of the Directors	Designation
1.	Mr. Nitin. Harshadlal. Mehta	Chairman and Managing Director
2.	Mr. Harishbhai Ratilal Mehta	Director
3.	Mr. Mihir Rameshchandra Shah	Director
4.	Mr. Mayukh Jaydevprasad Pandya	Director
5.	Mr. Bharatkumar Vinod chandra Mashruwala	Whole Time Director & COO
6.	Mrs. Sharmistha R Shah	Director
7.	Mr. Ramesh S Shah	Director

**DETAILS OF ANNUAL GENERAL MEETING HELD DURING THE LAST 3 FINANCIAL YEARS:**

Date	Time	Venue	Special Business if any resolutions passed.
30/09/2011	11.00 A.M.	Plot No. 138/A, Sarkhej Bavla Road, Village: Vasna Chacharvadi, Taluka: Sanand, Dist: Ahmedabad: 382 210	NO
08/09/2012	11.00 A.M.	Plot No. 138/A, Sarkhej Bavla Road, Village: Vasna Chacharvadi, Taluka: Sanand, Dist: Ahmedabad: 382 210	YES
28/09/2013	11.00 A.M.	119, Gr.Floor, Kamdhenu Complex Opp. Sahjanad Colleague, Polytechnic Road, Ahmedabad: 380015	YES

**EXTRA ORDINARY GENERAL MEETINGS:**

No Extra Ordinary General Meetings were held during the year.

**PASSING OF THE RESOLUTIONS BY POSTAL SYSTEM:**

The company did not pass any resolutions by proposing approval of the shareholders through postal Ballot since none of the business items proposed required approval through postal ballot as per the provisions of the companies act and rules framed there under.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report are forming part of the directors' report also of the Corporate Governance Report are separately given elsewhere.

**DISCLOSURES:**

**A MATERIALLY RELATED PARTY RRANSACTION:**

During the year the financial or business transactions made by the company with the related parties of Directors or the Key Managerial Person is detailed given under the Note No. 3 of Schedule 19, Other notes forming part of accounts in notes to the Account.

**B DETAILS OF LEGAL COMPLIANCES:**

The Company is regular in filing of financial statements and other compliance documents with Registrar of companies, stock exchanges, and in filing of income tax return, sales tax returns and VAT return.

**C DETAILS OF NON COMPLIANCE**

There were no penalties imposed on the company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**MEANS OF COMMUNICATIONS:****A. ESTABLISHMENT OF INTERNAL MANAGEMENT INFORMATION SYSTEMS:**

The company has established the Management information system whereby each and every function departments are providing information to the managing director. The managing director has autonomy for redressed of problems and HRD problems or functional problems. Any problems requiring policy decisions are being intimated to Audit Committee for redressed or amendments in the policy and procedure. The progress reports are regularly intimated to the audit committee by financial officer. All the investors' grievances or share department related queries are addressed to the compliance officer who in turn put the same before the investor grievance committee.

**B. INFORMATION SYSTEM BETWEEN COMMITTEE AND THE BOARD:**

Both Audit committee and Investors Grievances Committees receive periodical information by the managing director, and after resolution of all the problems informed the same to managing director for further communications and implementation of any suggestions. The progress report and minutes of all meetings held of both the committees are being placed before the Board for information and record keeping.

**C. INFORMATION SYSTEM BETWEEN THE COMPANY AND INVESTORS:**

The company is regularly taking on record the unaudited financial results on quarterly basis as per requirements of the Clause 41 of the listing Agreement. The material information relating to the business of the company is being intimated to the Stock Exchange who in turn publishes the same in their daily official bulletin. The Audited Financial Balance Sheet is being dispatched to every shareholder in time at their registered addresses.

**STATUTORY COMPLIANCE MADE AND RETURN ETC. FILED:**

The company has duly complied with the provision of the companies Act 1956, all the provisions of the Listing Agreement. The company has also filed various unaudited financial results, Balance Sheets, Income Tax returns and other statutory returns with all the authorities in time. There were no defaults made in any such compliance during the financial year and no legal action of any nature has been taken against the company or its officers / directors.

**OTHER DETAILS**

<b>BOOK CLOSURE DATE</b>	:	September 22, 2014 to September 30, 2014 (Both days Inclusive)
<b>ISIN NUMBER OF THE COMPANY</b>	:	<b>INE 400 N 01017</b>
<b>DIVIDEND PAYMENT PROGRAMME</b>	:	No dividend is recommend
<b>STATUS ON INVESTORS COMPLAINTS</b>	:	Beginning of the Year.           NIL Received during Year.           00 Resolved during Year.           00 Outstanding end Year.           NIL

**Market Quotations And Number Of Shares Traded During The Financial Year Ended On 31/03/2014.**

The trading of the company was inactive on the Stock Exchange, Ahmedabad due to SEBI restrictions. The trading in Shares of the Company is active at Stock Exchange, Mumbai. However, as there was no trade recorded during the year on the stock exchange, the details of stock price movements and trade price is not available.

**WEIGHTAGE OF COMPANY'S SHARES IN SENSEX AND PRICE MOVEMENT OF SHARES WITH MOVEMENT OF SENSEX CO-RELATION.**

Shares of the company are not included in the List of Companies for SENSEX Calculation. The Company's shares were not traded at BSE during the year hence no prices are quoted and no co-relation is reported.

**CATEGORY WISE SHAREHOLDING PATTERN:**

Sr.No.	Category of Shareholders.	No. of Shares held	Voting Strength %
1.	Promoters, Directors, Relatives and Associates.	7,40,400	13.46
3.	Mutual Funds	1,50,000	2.73
3.	Corporate Bodies.	15,01,200	27.28
4.	Public Shareholders.	6,77,600	12.32
5.	Top Holders	23,56,900	42.84
6.	Others.	75,900	01.38
	Total	55,02,000	100.00

Date: 19<sup>TH</sup> MAY 2014  
Place: Ahmedabad

For and By Order of the Board of Directors  
of Shree Ganesh Elastoplast Limited

SD/-  
(Bharatbhai V. Mashruwala)  
Whole Time Director  
(DIN: 03440503)

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL**

To,  
The Members,  
Shree Ganesh Elastoplast Limited  
Ahmedabad.

I, Bharat V Mashruwala, Whole Time Director of the Company, hereby certify that all the Board Members and Senior Management Personnel of the company have affirmed their compliance with the code of conduct in accordance with Clause-49.I.D of the listing agreement entered into with stock exchange.

As required by Clause 49 of the Listing Agreement, certificate of compliance with the corporate governance requirements by the company issued by auditors is given as an annexure to the directors' report.

We further confirm that during the year, none of the directors or any of the key managerial persons had done any trading in shares of the company in the secondary market. Further, the company had not made any allotment of shares to any directors or any of the key managerial personnel during the year.

The above report was adopted by the board at their meeting held on 19th May, 2014.

Date: 19<sup>TH</sup> MAY 2014  
Place: Ahmedabad

For and By Order of the Board of Directors  
of Shree Ganesh Elastoplast Limited

SD/-  
(Bharatbhai V. Mashruwala)  
Whole Time Director  
(DIN: 03440503)

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

We, Bharat V Mashruwala, Whole Time Director of the Company and Mr. Harish R Mehta Chairman of the Audit Committee of Shree Ganesh Elastoplast Limited, do hereby certify that:

- (a) We have reviewed the financial statement and the cash flow statement for the year and to the best of our knowledge and belief;
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
- (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) As per the best of our knowledge and belief, no transactions entered into by Shree Ganesh Elastoplast Limited during the years which are fraudulent, illegal or in violation of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in Shree Ganesh Elastoplast Limited and we have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting. We have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit Committee:
- (i) Significant changes in internal controls over financial reporting during the year.
- (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
- (iii) Instance of significant fraud of which we have become aware and the involvement therein, If any, of the management or an employee having a significant role in the company's internal control system.
- (e) We affirm that we have not denied any personal access to the Audit Committee of the Company (in respect of matters involving alleged misconduct, if any.)
- (f) We further declare that all Board Members and Senior management have affirmed compliance with the code of conduct for the current year.

**For and On Behalf of the Board of Director of  
Shree Ganesh Elastoplast Limited**

**Place: Ahmedabad**

**Date: 19<sup>th</sup> May, 2014**

**SD/-  
(Bharat V mashruwala)  
Whole Time Director  
(DIN: 03440503)**

**SD/-  
(Harish R Mehta)  
Chairman Audit Committee  
(DIN: 05316274)**

**Auditors' Report on Compliance with Code of the Corporate Governance**

To  
The Members  
Shree Ganesh Elastoplast Limited.

We have examined the relevant records for the year ended March 31, 2014 relating to the Compliance with the requirement of corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges.

On the basis of our review and according to the information and explanations given to us by the company, we state that in our opinion and to the best of our knowledge, the Company has complied with the mandatory requirements as contained in the Listing Agreement with the Stock Exchanges and as per Section 292A of the Companies Act 1956.

**Place: Ahmedabad**

**Date: 19<sup>th</sup> May, 2014**

**For Sunil Dad & Co.  
Chartered Accountants**

**SD/-  
Praveen Toshniwal  
(Partner)  
Membership No. : 121017**

**Independent Auditor's Report**

To  
The Members,  
Shree Ganesh Elastoplast Limited.

**REPORT ON FINANCIAL STATEMENT**

We have audited the accompanying financial statements of Shree Ganesh Elastoplast Limited, which comprise the Balance Sheet as at March 31, 2014, and 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.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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.

**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.

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.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, subject to the following:

**NIL**

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/ loss 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.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003, 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.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - 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;
  - 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.

**Place: Ahmedabad**

**Date: 19<sup>th</sup> May, 2014**

**For Sunil Dad & Co.  
Chartered Accountants**

**SD/-  
Praveen Toshniwal  
(Partner)  
Membership No. : 121017**

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Shree Ganesh Elastoplast Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2014.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not given any loan to any party covered in the Register maintained under section 301 of Companies Act, 1956. Hence this clause is not applicable
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from one party listed in the register maintained under Section 301 of the Companies Act, 1956 amounting to Rs. 138.67 Lacs. The Outstanding amount at the yearend amounts to Rs. 21.75 Lacs.
4. In our opinion and according to the information and explanations given to us, there is formal internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. However looking to the size of Business, the company has sufficient Internal Control System. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act, in case where it exceeds five lacs rupees in a financial year, seems to be reasonable as compared to the market comparison.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. The company has yet not set up internal audit system.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the undisputed statutory dues payable which are outstanding as at 31<sup>st</sup> March, 2014 for the period more than six months from the date they became payable.

Name of the statute	Nature of the dues	Amount (Rs.)	Other particulars
Central Sales Tax	Sales Tax	1,92,882	Period: Earlier Years Due date: Not ascertainable Date of payment: Not paid
Central Sales Tax	Sales Tax	1,23,594	Period: Earlier Years Due date: Not ascertainable Date of payment: Not paid

Note: The above amounts are carried forward as per certification made by previous Auditors. No records are available with the party.

10. The Company has accumulated loss at the end of the Financial Year and it has incurred cash loss during the current financial year covered by our audit and in the immediately preceding financial year. The company has registered for the period more than five years and accumulated losses of the company is more than 50% of company's network.
11. Based on our audit procedures and on 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.



12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**Place: Ahmedabad**

**Date: 19<sup>th</sup> May, 2014**

**For Sunil Dad & Co.  
Chartered Accountants**

**SD/-  
Praveen Toshniwal  
(Partner)  
Membership No. : 121017**

## Balance Sheet as at 31st March, 2014

Particulars	Note No	Figures as on 31st March, 2014	Figures as on 31st March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	55,020,000	55,020,000
(b) Reserves and Surplus	2	(28,299,135)	(28,531,220)
<b>(2) Deferred Tax Liabilities</b>			
		4,231	-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	3	32,270,296	1,104,391
(b) Trade payables		387,183	643,414
(c) Provision for Expenses	4	170,261	67,639
<b>Total</b>		<b>59,552,835</b>	<b>28,304,224</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	5	52,958	36,821
<b>(2) Current assets</b>			
(a) Trade receivables	6	14,757,636	10,735,136
(b) Inventories	7	39,393,187	3,659,580
(b) Cash and cash equivalents	8	2,418,184	13,563,811
(d) Loans and advances	9	1,920,071	308,876
(e) Deposits (Assets)	10	1,010,800	-
<b>Total</b>		<b>59,552,835</b>	<b>28,304,224</b>

Significant Accounting policies and other Notes forming parts of accounts 19

**For Sunil Dad & Co.**  
**Chartered Accountants**

SD/-

**PRAVEEN TOSHNIWAL**  
**Partner**

Place : Ahmedabad  
Date : 19/05/2014

**For and On Behalf of the Board of Directors of**  
**Shree Ganesh Elastoplast Ltd**

SD/-

**Nitin H Mehta**  
**Managing Director**

Place : Ahmedabad  
Date : 19/05/2014

SD/-

**Bharat V Mashruwala**  
**Whole Time Director**

## Profit and Loss statement for the year ended 31st March, 2014

Particulars	Note No	Figures as on 31st March, 2014	Figures as on 31st March, 2013
I. Revenue from operations	11	51,748,126	5,386,936
II. Other Income	12	387,538	554,713
<b>III. Total Revenue (I +II)</b>		<b>52,135,664</b>	<b>5,941,648</b>
<u>IV. Expenses:</u>			
Purchase	13	82,760,928	8,913,256
Direct Expenses	14	435,932	26,831
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	15	(35,733,607)	(2,429,580)
Employee benefit expense	16	597,500	56,000
Administrative Selling and Distribution Expenses	17	3,077,191	904,246
Financial Expenses	18	629,386	439,780
Depreciation and amortization expense		20,703	618,195
<b>Total Expenses</b>		<b>51,788,033</b>	<b>8,528,728</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	347,631	(2,587,080)
VI. Extraordinary Items (prior period expenses)		42,665	35,301
VII. Profit before tax (VII - VIII)		304,966	(2,622,381)
VIII. Tax expense:			
(1) Current tax		68,650	-
(2) Deferred tax		(4,231)	-
IX. Profit(Loss) from the perid from continuing operations	(IX-X)	232,085	(2,622,381)
X. Profit/(Loss) from discontinuing operations			
(i) Profit on sales of Assets		-	22,410,465
(ii) Non recoverables written off as Bad Debts		-	(18,980,309)
(iii) Loss on sale of Investments		-	(4,034,136)
XI. Profit/(Loss) for the period	(XII+XIV)	232,085	(3,226,360)
XII. Earning per equity share:			
(1) Basic		0.04	(0.59)
(2) Diluted		0.04	(0.59)

Significant Accounting policies and other Notes forming parts of accounts

19

**For Sunil Dad & Co.**  
**Chartered Accountants**

SD/-

**PRAVEEN TOSHNIWAL**  
**Partner**

**Place : Ahmedabad**  
**Date : 19/05/2014**

**For and On Behalf of Board of Directors of**  
**Shree Ganesh Elastoplast Ltd**

SD/-

**Nitin H Mehta**  
**Managing Director**

SD/-

**Bharat V Mashruwala**  
**Whole Time Director**

**Place : Ahmedabad**  
**Date : 19/05/2014**

**Note: 2 - Reserves and Surplus**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Revaluation reserve		
Opening balance	-	18,047,362
Add: Addition / (reduction)		(18,047,362)
Closing balance	-	-
<b>Surplus from Profit &amp; Loss account</b>		
Opening balance	(28,531,220)	(29,551,318)
Add: Current year surplus	232,085	(2,622,381)
Add: Profit / (Loss) from discontinuing operation		(603,980)
Add: Investments Return Back		4,246,459
Less: Transfer to general reserve	-	-
Less: Proposed dividend	-	-
Less: Investments return off	-	-
Closing balance	(28,299,135)	(28,531,220)
<b>Total</b>	<b>(28,299,135)</b>	<b>(28,531,220)</b>

**Note: 3 - Short term borrowings**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
<b>Secured Loan</b>		
a. Loans repayable on demand from banks Overdraft	-	853
b. Secured Loans- ICICI Bank Ltd (agriculture loan) (secured against pledge of commodities)	30,095,565	-
<b>Unsecured Loan</b>		
c. Loans and advances from related parties Mihir R Shah (Director)	2,174,731	1,103,538
<b>Total</b>	<b>32,270,296</b>	<b>1,104,391</b>

**Note: 4 - Provision for Expenses**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Provision for Electricity Expense	2,000	2,124
Provision for Warehouse Rent	27,478	3,200
Provision for Telephone & Interest Expense	1,046	-
Provision for Consultancy Fees	15,000	-
Provision for C&F Agent Commission	8,062	15,754
Provision for MAT payable	68,650	-
TDS Payable	48,025	46,561
<b>Total</b>	<b>170,261</b>	<b>67,639</b>

**Note: 5 - Tangible Assets**

9	Tangible asset	<u>Gross Value</u>				<u>Depreciation</u>				<u>Closing balance</u>	
		Opening balance	Additions	Deletions	Total	Opening balance	Additions	Deletions	Total	Current reporting period	Previous reporting period
a	Computers & Printers	39,500	23,150	0	62,650	2,679	18,673	0	21,352	41,298	28,532
b	Freehold Land	0	0	0	0	0	0	0	0	0	0
c	Factory Building	0	0	0	0	0	0	0	0	0	0
d	Plant & Equipments	0	0	0	0	0	0	0	0	0	0
r	Dies and Mould	0	0	0	0	0	0	0	0	0	0
f	Electric Installation	0	0	0	0	0	0	0	0	0	0
g	Factory Equipments	0	0	0	0	0	0	0	0	0	0
h	Furniture & Fixtures	0	13,690	0	13,690	0	2,030	0	2,030	11,660	0
i	Factory Building under Construction	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>39,500</b>	<b>36,840</b>	<b>0</b>	<b>76,340</b>	<b>2,679</b>	<b>20,703</b>	<b>0</b>	<b>23,382</b>	<b>52,958</b>	<b>28,532</b>
	<b>Figures for the previous year</b>	<b>35,225,716</b>	<b>39,500</b>	<b>35,225,716</b>	<b>39,500</b>	<b>9,808,532</b>	<b>500,421</b>	<b>10,306,274</b>	<b>2,679</b>	<b>36,821</b>	

**Note: 5 A - Intangible Assets**

10	Intangible Asset	<u>Gross Value</u>				<u>Depreciation</u>				<u>Closing balance</u>	
		Opening balance	Additions	Deletions	Total	Opening balance	Additions	Deletions	Total	Current reporting period	Previous reporting period
a	Technical Know How Fees	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Figures for the previous year</b>	<b>2,500,000</b>	<b>-</b>	<b>2,500,000</b>	<b>-</b>	<b>1,664,771</b>	<b>117,774</b>	<b>1,782,545</b>	<b>-</b>	<b>-</b>	

**Note: 6 - Trade Receivables**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
- Trade receivables outstanding for		
- more than 6 months *	-	-
- others	14,757,636	10,735,136
	<b>14,757,636</b>	<b>10,735,136</b>
Trade receivables		
- Unsecured, considered doubtful	-	-

**Note: 7 - Inventories**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Stock In Trade	39,393,187	3,659,580
<b>Total</b>	<b>39,393,187</b>	<b>3,659,580</b>

**Note: 8 - Cash and Cash Equivalents**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
a. Cash and cash equivalents		
(i) Balance with banks		
In current account	1,030,848	(53,768)
In Fixed Deposits	1,000,000	13,600,000
(ii) Cash in hand	387,336	17,579
<b>Total</b>	<b>2,418,184</b>	<b>13,563,811</b>

**Note:9 - Long term Loans and Advances**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Advance to Customers	1,100,000	-
Advance recoverable in cash or kind	7,500	-
Tax Deposited at source	96,749	94,413
Mat Receivable	28,665	-
Interest Receivable on Fixed Deposits	-	26,916
VAT Receivable from C&F	633,596	187,547
Prepaid Insurance	31,713	
Advance Rent	21,848	
	<b>1,920,071</b>	<b>308,876</b>
- Unsecured, considered doubtful	-	-

**Note: 10 - Deposits (Assets)**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Margin Deposit with Broker	1,000,000	-
Rent Deposit	10,800	-
<b>Total</b>	<b>1,010,800</b>	<b>-</b>

**Note: 11- Revenue from Operations**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Sales of commodities	48,806,765	5,153,693
Profit loss on commodities hedging / trading	2,941,361	233,243
<b>Total</b>	<b>51,748,126</b>	<b>5,386,936</b>

**Note: 12 - Other Income**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Cash Discount	-	217,767
Interest on Fixed Deposit	286,512	239,028
Other Income	101,026	97,918
<b>Total</b>	<b>387,538</b>	<b>554,713</b>

**Note: 13- Purchase and related expenses**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Purchase of commodities	85,872,397	8,913,256
Less: Discount and deductions	3,111,469	-
<b>Total</b>	<b>82,760,928</b>	<b>8,913,256</b>

**Note: 14 - Direct Expenses**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Brokerage	131,056	11,077
Bardan charges	66,185	-
Warehouse charges	217,186	-
C&F Agent Commission	21,505	15,754
<b>Total</b>	<b>435,932</b>	<b>26,831</b>

**Note: 15 - Changes in Stock in Trade**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Opening Stock of Finished Goods	3,659,580	1,230,000
Closing Stock of Finished Goods	39,393,187	3,659,580
<b>Total</b>	<b>(35,733,607)</b>	<b>(2,429,580)</b>

**Note: 16 - Employee Benefit Expense**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Salaries & Wages	557,500	56,000
Diwali Bonus	40,000	-
<b>Total</b>	<b>597,500</b>	<b>56,000</b>

**Note: 17 - Administrative, selling and Distribution**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
<b>Administration expenses</b>		
Audit fees		
a) Statutory Auditor	22,472	22,472
b) Tax Auditor	11,236	-
Annual Membership and subscription	-	33,784
BSE Listing Fees	28,090	28,090
RTA Agent Exp.	52,129	11,472
Professional Fees	1,616,095	377,530
Office Expense	50,241	11,145
Postage, Printing & Stationery	19,490	17,777
Legal Fees	30,595	36,405
Insurance Expense	34,810	-
Electricity Charges	24,189	6,915
Municipal Taxes	28,252	80,951
Discount	18	2,628
Rent	518,352	100,700
Telephone and Internet Expense	13,596	2,721
Website Expense	7,781	-
ROC fees	51,073	2,000
Other Expense	843	1,900
Travelling and conveyance expense	229,017	2,810
Loading & Boarding Exp	244,066	4,700
Computer Exp	2,030	1,940
Repairs Maintenance	40,687	19,000
Security Expense	11,580	132,586
Advertisement Expense	19,980	6,720
Diwali Expense	20,570	-
<b>Total</b>	<b>3,077,191</b>	<b>904,246</b>

**Note : 18 - Financial Expenses**

<b>Particulars</b>	<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
Interest Payable	402,381	412,361
Bank charges & commission	13,258	26,563
Interest paid to bank	187,388	684
Interest on TDS	26,359	172
<b>Total</b>	<b>629,386</b>	<b>439,780</b>



<b>Notes :</b>		<b>Figures as on 31st March, 2014</b>	<b>Figures as on 31st March, 2013</b>
1	<b>Share Capital</b>		
a	<b>Authorised Share Capital:</b> 6000000 number of Equity shares of Rs. 10 each	60,000,000	60,000,000
b	<b>Issued, Subscribed and Fully Paid up Share Capital</b> 5502000 number of Equity shares of Rs. 10 each	55,020,000	55,020,000
c	<b>Par Value per Share</b> Rs.	10	10
d	Number of equity shares at the beginning of the year	5,502,000	5,502,000
	Add: Rights issue	0	0
	Bonus issue	0	0
	Less: Buy back	0	0
	Number of equity shares at the end of the year	5,502,000	5,502,000
e	<b>% of Shares held by</b>		
	Holding company	NIL	NIL
	Ultimate holding company	NIL	NIL
	Subsidiary company	NIL	NIL
	Associates of holding company	NIL	NIL
	Associates of ultimate holding company	NIL	NIL
f	Amount of Calls unpaid Rs.		
	( i ) Calls unpaid by directors Rs.	NIL	NIL
	( ii ) Calls unpaid by officers Rs.	NIL	NIL
g	No of shares Forfeited : amount originally paid up :	NIL	NIL
h	<b>Number of shares held by share holders more 5% of total shares</b>		
		Current Year	Previous Year
	Miraj Polymers Limited	332,700	332,700
	Merry Sharefin Limited	636,800	636,800
	Ajay Jain	350,000	350,000
	Prakash C Mehta	289,500	289,500

Forming part of the Balance Sheet as at 31<sup>st</sup> March, 2014 and the Profit and Loss Account for the period from April 01, 2013 to 31<sup>st</sup> March, 2014.

#### SCHEDULE - 19: SIGNIFICANT ACCOUNTING POLICIES

##### 1. Basis of Accounting

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the accounting standards prescribed under Section 211(3C) of the Companies Act, 1956 and the practices prevailing within the broking industry in India. The accounts have been prepared on a going concern concept, although the going concern concept is not more feasible to suspension of manufacturing activity as well as no availability of power from Gujarat Electricity Board.

**2. Use of Estimates**

These financial statements have been prepared on the basis of estimates, wherever necessary, which have an effect on the reported amounts of assets and liabilities as on the date of the statements and the reported amounts of income and expenditure for the reporting period. The difference between actuals and estimates is recognized in the subsequent period when the actuals are known.

**3. Revenue Recognition**

Revenue is recognized and expenditure is accounted for on their accrual. The income is said to be accrued when the risk and rewards relating to the goods of services has been transferred to the buyer.

Following are accounted on cash basis:

- a) Profit / loss (mark to market) on derivatives transactions on account of hedging / trading in commodities is account on receipt basis.
- b) Gratuity and leave encashment benefits to the employees

**4. Fixed Assets, Depreciation and Impairment**

- (a) Fixed assets are stated at the cost of acquisition less accumulated depreciation. Depreciation on fixed assets is provided on straight-line method on a pro-rata basis at the rates prescribed under Schedule XIV to the Companies Act, 1956.
- (b) Intangible assets are recognized as per the criteria specified in Accounting Standard 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India and are amortized as follows:
- (c) An asset is treated as impaired when its carrying cost exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**5. Investments**

Investments include all securities which are intended to be held to maturity or for a period not less than one year. Long Term Investments are carried at cost less provision for permanent diminution in the value of such investments, if any. Current Investments are carried at the lower of cost and market value.

**6. Stock-in-Trade**

Stock-in-trade are stated at cost or market value whichever is lower (valued at market value in the previous year)

**7. Retirement Benefits**

The company has not provided provision in the books of account with respect to the retirement benefits of the employees as per the guidelines provided by The Payment of Gratuity Act, 1972. As per representation made by the company, since no employees of the company has been in employment for the period more than 5 years, provision for the same is not required.

**8. Deferred Tax**

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets including asset arising from unabsorbed depreciation and losses carried forward, are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax can be realized.

**9. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**10. Earning Per Share**

Earning per shares has been arrived by taking into consideration the profit after tax divided by the weighted average number of shares for the relevant financial year. The same is arrived as per Accounting Standards – 20 to

determine the comparison of performance among different enterprises for the same period and among different periods for the same enterprises. Separate disclosure have been made for the earnings per share excluding extraordinary items.

**SCHEDULE - 19: OTHER NOTES FORMING PART OF ACCOUNTS**

1. As informed and self certification made by the management, Contingent Liabilities for the year ended 31<sup>st</sup> March, 2014 – refer note 9(b) of annexure to paragraph 1 of our audit report.

2. Deferred Tax Assets/(Liabilities) comprises timing differences on account of: [Amount in Rs.]

Particulars	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
<b>LIABILITIES</b>		
Difference in the written down value of assets (Inclusive of Intangibles to the extent not amortized)	13,693	NIL
<b>Net Deferred Tax Liability</b>	<b>4,231</b>	<b>NIL</b>

3. Earning per share

Particulars	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
Net profit / (loss) attributable to equity shareholders (Rs.)	2,32,085	32,26,360
Number of equity shares in issue during the year (shares of face value Rs. 10 each)	55,02,000	55,02,000
Basic as well as diluted earnings per share (Rs.)	0.04	(0.59)
Basic as well as diluted earnings per share (Rs.) (excluding extraordinary items)	0.04	(0.59)

3. List of Related Parties and transactions made:

During the year 2013-14, director Bharat Mashruwala was paid remuneration amounting to 1,50,000. This remuneration is made up of only basic salary, no other emoluments or incentive was provided. The company has paid 1,80,000 for office rent. The office is owned by Merry Sharefin Ltd arising associate concern of having common management. Mihir Shah, an independent director of company has given unsecured loan of which 21,74,731 is outstanding at year end. The company has paid total interest of 3,44,007 for loan given by Mihir R Shah. The company has paid seven lacs two thousand as professional fees to Manil M Shah, son of director and Paumil M Shah, son of director and nineteen thousand three hundred fifty four to as C&F agent commission to Paumil M Shah, son of director.

4. The company has during the period under review started new line of activities i.e. trading in commodities. Old business line of activities has been discontinued. During the year under review since there was only one line of business activity, segment reporting is not required. The company is in the business of investment in commodities and hedging / trading on the said commodities.

5. As explained by the management, Company has been disposing the VAT liabilities through appointment of clearing agent on behalf of itself.

6. Details about the Micro, Small and Medium Enterprises

The firm has not received any intimation from the suppliers regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosure regarding:

- Amount due and outstanding to suppliers as at the end of accounting year
- Interest paid during the year
- Interest payable at the end of the accounting year
- Interest accrued and unpaid at the end of the accounting year, have been given
- The firm is making efforts to get the confirmations from suppliers as regards their status under the Act.

has not been given. The firm is making efforts to get the confirmations from the supplier as regards their status under the Act.

7. Information pursuant to the part B of schedule VI of the Companies Act, 1956 as compared to previous year since the company has discontinued its manufacturing business operation.
8. Balance of trade receivable, trade payable, sundry creditors, loans and advances, Banks and deposits are subject to confirmations by the parties concerned.
9. Previous year's figures have been regrouped, reclassified and rearranged wherever necessary.
10. The company has not appointed a qualified secretary as defined under section 383A of the Companies Act, 1956.

**Signatures to Annexures 1 to 18 forming part of the financial statements and to the above notes forming parts of accounts**

**FOR SUNIL DAD & CO.  
Chartered Accountants**

**SD/-**

**PRAVEEN TOSHNIWAL  
Partner**

**Place : Ahmedabad  
Date : 19/05/2014**

**FOR AND ON BEHALF OF BOARD OF DIRECTORS  
SHREE GANESH ELASTOPLAST LTD**

**SD/-**

**Nitin H Mehta  
Managing Director**

**Place : Ahmedabad  
Date : 19/05/2014**

**SD/-**

**Bharat V Mashruwala  
Whole Time Director**

## Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2014

	31/03/2014	31/03/2013
<b>A. <u>Cash Flow from Operating Activities</u></b>		
Net Profit before tax and extraordinary Items	347,631	(2,587,080)
Adjustments for Depreciation	20,703	618,195
Operating profit before working capital changes	368,334	(1,968,885)
Adjustments for		
Decrease (Increase) in Trade and other Receivables	(4,022,500)	(10,973,510)
Decrease (Increase) in Inventories	(35,733,607)	(2,429,580)
Increase (Decrease) in Trade Payable and Provisions	30,943,646	(1,224,292)
Cash Generated from operations	(8,444,127)	(16,596,267)
Income Tax Paid For The Year	-	-
Extraordinary Items	-	-
Prior Period Items	(42,665)	(35,301)
<b>Net Cash From Operating Activities</b>	<b>(8,486,792)</b>	<b>(16,631,568)</b>
<b>B. <u>Cash Flow From Investing Activities</u></b>		
Purchase of Fixed Assets	(36,840)	(39,500)
Sale of Investments	-	212,323
Sale of Fixed Assets	-	30,000,000
<b>Net Cash from Investing Activities</b>	<b>(36,840)</b>	<b>30,172,823</b>
<b>C. <u>Cash flow From Financing Activities</u></b>		
Finance Expenses	-	-
Loan Funds	(1,611,194)	-
Deposit	(1,010,800)	-
<b>Net Cash used in Financing Activities</b>	<b>(2,621,994)</b>	<b>-</b>
Net Increase in Cash & Cash Equivalents	(11,145,626)	13,541,255
Opening Balance of Cash & Cash Equivalents	13,563,811	22,556
Closing Balance of Cash & Cash Equivalents	2,418,184	13,563,811

**Notes :**

1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

This is the Cash Flow Statement referred to in our report of even date.

**FOR SUNIL DAD & CO.**  
Chartered Accountants

SD/-

**PRAVEEN TOSHNIWAL**  
Partner

Place : Ahmedabad  
Date : 19/05/2014

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**  
**SHREE GANESH ELASTOPLAST LTD**

SD/-

**Nitin H Mehta**  
Managing Director

Place : Ahmedabad  
Date : 19/05/2014

SD/-

**Bharat V Mashruwala**  
Whole Time Director



**ATTENDANCE SHEET**

I Shri / Smt.....of ..... Being a member / proxy of SHREE GANESH ELASTOPLAST LIMITED do hereby record my presence at the 20<sup>th</sup> Annual General Meeting of the member of the Company to be held on Tuesday the 30<sup>th</sup> September, 2014 at 11.00 A.M. at Registered Office Of the Company at 119, Gr.Floor, Kamdhenu Complex Opp.Sahajanad Collage Ahmedabad – 380015.

FOLOI NO / CLIENT I.D.	
D.P. ID.	
D.P. NAME.	
NAME OF SHAREHOLDER	
NUMBER OF SHARE HELD	

Date:

Place:

**PROXY FORM**

FOLOI NO / CLIENT I.D.	
D.P. ID.	
D.P. NAME.	
NAME OF SHAREHOLDER	
NUMBER OF SHARE HELD	

I Shri/Smt .....being a member of SHREE GANESH ELASTOPLAST LIMITED, holding .....Shares in the Company do hereby appointed Shri..... of .....or falling him Shri..... of ..... to remain present at the 20<sup>TH</sup> Annual General Meeting of the Company to be held on Tuesday the 30<sup>th</sup> September, 2014 at 11.00 A.M. at the Registered Office of the Company at 119, Gr. Floor, Kamdhenu Complex Opp. Sahajanad Collage Ahmedabad – 380015 or at any adjournment thereof and to vote for and on my behalf if poll is granted.

Date :

Place :

Affix Rs.1/- revenue stamp
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(Signature of the member  
Appointing a proxy)

Proxy form duly stamped, signed and completed in all respect should be deposited 48 hours before the time fixed for the meeting at the registered office of the company