

**ANNUAL REPORT & ACCOUNTS**



**GRAND FOUNDRY LIMITED**

**2012 - 2013**

# Grand Foundry Ltd.

## GRAND FOUNDRY LIMITED

BOARD OF DIRECTORS	:	Shri Dhirajlal B. Jangla (Chairman)
	:	Shri Kiran D. Jangla (Managing Director)
	:	Shri Hiten D. Jangla (Joint Managing Director)
	:	Shri Bidhan Gujarati
AUDITORS	:	Thaker Butala Desai Chartered Accountants Ismail Building, 2 <sup>nd</sup> Floor, 381, Dr. Dadabhai Naoroji Road, Mumbai – 400 001.
REGISTERED OFFICE	:	327, Arun Chambers 3 <sup>rd</sup> Floor, Tardeo Mumbai-400 034.
BANKERS	:	Indian Overseas Bank 2003/C93 Breach Candy, Mumbai – 400 026.
DATE OF ANNUAL GENERAL MEETING	:	30 <sup>th</sup> September, 2013
TIME	:	11.00 A.M.
VENUE	:	327, Arun Chambers 3 <sup>rd</sup> Floor, Tardeo Mumbai -400 034.

# Grand Foundry Ltd.

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty first Annual General Meeting of the members of GRAND FOUNDRY LIMITED will be held at 327 Arun Chambers, 3rd Floor, Tardeo, Mumbai-400034 on Monday the 30th day of September, 2013 at 11.00 A.M to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, Profit and Loss Account for the year ended on that date and the Reports of the Auditors' and the Directors' thereon.
2. To appoint a Director in place of Mr. Hiten Jangla, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to authorize Board to fix their remuneration.

### Special Business:

#### 4. Writing Down of Equity Share Capital By 90%

The following resolution will be passed, as a Special Resolution, with or without modification, at the Annual General Meeting of the Company:

**RESOLVED THAT** pursuant to section 192A of the Companies Act, 1956 and subject to the direction of BIFR and the provisions of and exemptions granted in the Rehabilitation Scheme and other applicable provisions, if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the consent and approval of the shareholders be and is hereby given to de-rate existing equity Share Capital of the Company by 90% from the existing Rs. 10/- per share fully paid up to Re. 1/- per share and thereby the existing amount of paid up share capital shall be reduced from Rs. 104300000 to Rs. 10430000 and simultaneously writing down of existing equity share capital of Rs 1043 lacs by 90% through write of accumulated losses against face value of share and thus reduce Face Value of share from Rs. 10 to Re 1. Thereafter, fresh issue of equity shares of Rs 300 lacs (300 lacs shares at Rs.1 per share) to the promoters at a premium of Rs.1 per share (Rs.300 lacs share premium) for expansion of business.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, Mr. Kiran Jangla, director of the Company be and is hereby authorized to take all such steps and action and give such directions as may be in its absolute discretion deemed necessary and to settle any question, doubt or query that may arise in this regard.

5. Any other matter with the permission of the Chairman.

Place : Mumbai  
Date : September 07, 2013

By order of the Board

DHIRAJLAL B. JANGLA  
Chairman

Registered Office:  
327, Arun Chambers,  
3<sup>rd</sup> Floor, Tardeo,  
Mumbai – 400 034

# Grand Foundry Ltd.

## Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. Under the Companies Act, 1956, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting in annexed hereto.
3. Members /Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2013 to September 30, 2013 (both days inclusive) for the purpose of Annual General Meeting.
5. Members holding shares in physical form and desirous of making/changing nomination in respect of their shareholding in the Company, may send their request in the prescribed form 2B to the Registrar & Transfer Agents of the Company.
6. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General meeting.
7. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be compiled in advance.
8. Members are requested to notify changes, if any, in their registered addresses along with the pin code to the Company's Registrar and Share Transfer Agent.
9. Members are requested to bring their copy of Annual Report to the Meeting.
10. All documents referred to in the notice and explanatory statement are open for inspection at the registered office of the Company between 10.30 a.m. and 1.00 p.m. on all working days upto the date of the meeting.
11. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of savings bank account to their respective Depository Participants.
12. Member are requested to address all correspondences, including dividend matters, to the Registrar and Share transfer Agents, M/s. Computech Sharecap Limited, 47, M.G. Road, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai – 400023.
13. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Transfer agents of the Company.
14. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting.

Place : Mumbai  
Date : September 07, 2013

By order of the Board

DHIRAJLAL B. JANGLA  
Chairman

**Registered Office:**  
327, Arun Chambers,  
3<sup>rd</sup> Floor, Tardeo,  
Mumbai – 400 034

## **Explanatory Statement**

**(Pursuant to section 173(2) of the Companies Act, 1956)**

As the members are aware, In 2001 BIFR recommended for the company to be wound up, as no acceptable proposal was forthcoming from the company BIFR confirmed winding up of the company at the hearing held on November 27, 2002. On December 7, 2009, the Bench observed that the company had sold its entire land & building, has no factory license, has no workers employed, as a result of which the company has lost its industrial character and thereby declared the Company sick under Section 3(1)(o) of SICA.

The company appealed the matter with AAIFR. AAIFR on March 22, 2012 set aside the impugned order and remanded the case to BIFR with the direction to consider the DRS. On subject to the approval of this scheme of Rehabilitation and subject to the direction of BIFR, the paid up share capital of the Company of Rs. 104300000 consisting of 10430000 equity shares of Rs. 10/- each fully paid up shall be written off to Rs. 10430000 consisting of 10430000 equity shares of Re. 1/- each by effecting a reduction of Rs. 93870000 from the paid up capital of the company by Rs. 9/- per equity share of Rs. 10/- each. Simultaneously with writing down of existing equity share capital of Rs 1043 lacs by 90% through write of accumulated losses against face value of share and thus reduce Face Value of share from Rs 10 to Re 1. Thereafter, fresh issue of equity shares of Rs 300 lacs (300 lacs shares at Re.1 per share) to the promoters at a premium of Re.1 per share (Rs.300 lacs share premium) for expansion of business. And subject to the approval of this scheme of Rehabilitation and subject to the direction of BIFR, the BSE/NSE to open the trading which has been suspended by the stock exchanges and also to list the further issued capital as provided in the scheme.

## **INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING RE-APPOINTMENT OF A DIRECTOR.**

Mr. Hiten Jangla joined the Board from 1992. Mr. Hiten Jangla aged 55 years is commerce graduate and Executive Director of our Company and has an experience in Administrative and Finance Department.

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## DIRECTORS' REPORT

The Members of  
**GRAND FOUNDRY LIMITED**

Your Directors present herewith the Twentieth Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2013.

### 1. FINANCIAL RESULTS

(Amount in Rs. in Lacs.)

	2012-2013	2011-2012
Profit/(Loss) before Interest, Depreciation and Taxation	15.28288	0.15039
Less : Interest & Finance Charges	59.46229	120.67635
Depreciation	20.27536	20.27809
Profit/(Loss) for the year	(64.45477)	(140.80395)
Less : Prior Period Expenses	3.96096	0.50348
Less : Deferred Tax Asset (Net)	51.91309	(8595949)
Balance Brought Forward	(2521.99955)	(2466.5161)
Add: Provision for Subsidiary Company's losses	Nil	Nil
Add: Diminution of Value of Investments	0.00	0.00
Debit Balance carried to Balance Sheet	<u>(1628.54454)</u>	<u>(2521.99955)</u>

### 2. MANAGEMENT DISCUSSION AND ANALYSIS

#### a) INDUSTRY STRUCTURE AND DEVELOPMENTS:

Our Company is engaged in the business of manufacturing Bright Steel Bars and wires and is in the market to sell domestically and in exports since 1974. The Quality control and manufacturing process consist of in-house treatment and has standard quality name for more than 2 decades. Due to financial constraints, the company is been depending on business of processing steel on job work basis to maintain better economics and has successfully been able to achieve job work production. The Company also has indulged in the special heat treatment job in order to establish future market of Hardened & Tempered steel for exports as well as domestic, which will pave the path of revival and re-instating the strength of the company.

#### DOMESTIC MARKET: -

There has been a substantial change of steel requirement in the domestic as well as international market for the consumption of Bright Steel Bars and wires. Majority of Bright Steel Bars and wires are used for making the various kinds of components for Automotive industry, Machinery manufacturing industry, Dairy & food processing industry, chemical and fertilizer industry, electronics and electrical appliances industry along with computer industry. Due to global interaction and industrial change in domestic market, various companies have invested especially in automobile industry and electrical appliances industry along with computer industry.

As your company has been well versed with international business, quality specifications, end market trends, which will be convenient and easy for the company to capture such trends. Various trial orders and sample approvals and certain bulk supplies have been established during the year to continue the pace with domestic market.

#### INTERNATIONAL MARKET: -

The Company is well established for selling and marketing Stainless Steel Bright Bars internationally in most of the developing countries and has maintained their market share. In the international scenario for Stainless Steel Bright Bars business has been on the greater recessionary trend for more than 5 years due to which the

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company has to go through the constant survival problems. But, at the same time, due to long term standing in the market, the company has been able to maintain its market outside India for Stainless Bright Bars and capturing orders and executing the same with the various financial arrangements. Short term spurts of improved demand has been affecting the company to regain its position from time to time in the international market, but the consistent improvement has been lacking in the international market since long time. The company has still been able to remain in the market even with these trends as well recessionary trends. As known worldwide, Indian steel has faced a lot of anti-dumping suits for Bright Steel Bars from European Community, U.S.A., Canada, the company has successfully being able to fight such anti-dumping petition and retain reasonable supplies to these countries and struggle to retain its position even at low profitability.

## b) OPPORTUNITIES AND THREATS

### OPPORTUNITIES

- The Company is engaged in the business since more than thirty years and has expertise for marketing and quality maintenance of international quality standards for more than 2 decades and enjoys the market share in developed countries like United States and European market.
- The Company is continuously sourcing economical raw materials from China & to compete the international market for exports. These efforts & expertise is been used for earning income by means of conducting Business for M/s D.H. Exports Private Limited for last 3 year till the year 2013-2014 .

### THREATS

- As the major product of the company is made of Stainless Steel carrying high nickel (metal) which is a sensitive item quoted in LME (London Metal Exchange), the fluctuation may affect the business opportunities and its profitability.
- As company's major business is depending on exports the fluctuation in foreign currency may also affect the profitability.

## c) SEGMENT- WISE PERFORMANCE

The Company has in the last 5 years developed various heat treatment processes and successfully supplied commercial lots of heat-treated bars to specific standards in the international market in American, German standards. The scope of business is huge and normal, as this product is utilized and acceptable for various applications in the Engineering industries including Petro Chemical, Oil & Natural gas and Automotive industries worldwide. The company is looking for better profitability business and this kind of supplies keeping the edge over the other competitors. Stringent quality standards and method of processing has been introduced to achieve better reliability and traceability for these kind of products which is mandatory for extending marketing. The international players and competitors for such products are from Italy, Spain and Korea, but with such renowned and established competitors, the company has been able to stand in the international market, establishing its product range internationally.

## d) OUTLOOK

The manufacturing facility of the company has been now fully in operation and the new location for the business activity is defined at Nagpur/Bhandara. The Company is currently earning income from outsourcing, manufacturing & marketing exports and earning commission income from the same & doing dedicated job processing for M/s Sunflag Iron & Steel Ltd well known Manufacturer of Alloy & Special Steel.

## e) INTERNAL CONTROL SYSTEMS

The Company has adequate Internal Control systems, which provide, inter-alia,

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reasonable assurance of recording the transactions of its operations in all material respects and providing protection against misuse or loss of Company assets.

f) **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Total Income achieved during the year under review is Rs. 210.35 lacs as against Rs. 268.87 lakhs in the previous year where the income consisted of Contractual Production and Commission where due to recession the turnover of the Contracted company dropped upto 20%.

Further with the latest update available, the company appealed the matter with AAIFR. AAIFR on March 22, 2012 set aside the impugned order and remanded the case to BIFR with the direction to consider the DRS. On subject to the approval of this scheme of Rehabilitation and subject to the direction of BIFR, the paid up share capital of the Company of Rs. 104300000 consisting of 10430000 equity shares of Rs. 10/- each fully paid up shall be written off to Rs. 10430000 consisting of 10430000 equity shares of Re. 1/- each by effecting a reduction of Rs. 93870000 from the paid up capital of the company by Rs. 9/- per equity share of Rs. 10/- each. Simultaneously with writing down of existing equity share capital of Rs 1043 lacs by 90% through write of accumulated losses against face value of share and thus reduce Face Value of share from Rs 10 to Re 1. Thereafter, fresh issue of equity shares of Rs 300 lacs (300 lacs shares at Re.1 per share) to the promoters at a premium of Re.1 per share (Rs.300 lacs share premium) for expansion of business.

3. **ACCEPTANCE OF DEPOSIT (SEC – 58A)**

The Company has not invited/accepted any deposits from public coming under the purview of section 58 A – of the Companies Act, 1956.

4. **CORPORATE GOVERNANCE**

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance together with a Certificate from Practicing Company Secretaries is annexed as part of the Annual Report.

5. **COST AUDIT**

The company is not required to undertake the cost audit as required under Section 233 B of the Companies Act, 1956.

6. **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956 that

- a) In the preparation of the Annual Accounts for the year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2013 and of the profit of the Company for that year.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts for the year ended March 31, 2013, on a going concern basis.



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## 7. DIRECTORS

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 Mr. Hiten Jangla retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment.

## 8. STATUTORY AUDITORS

You are requested to appoint Auditors for the current year and fix their remuneration. The Auditors of the Company, THAKER BUTALA DESAI, Chartered Accountants retire at ensuing Annual General Meeting of the Company and are eligible for re-appointment.

## 9. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is as follows:

### POWER & FUEL OIL CONSUMPTION

1. <u>Electricity Consumption</u>	<u>2012-2013</u>	<u>2011-2012</u>
Purchased units	NIL*	NIL
Total amount Rs. Lacs		
Rate/unit Rs. KHz		
2. <u>LDO</u>		
Quantity (KL)	NIL	NIL
Total amount Rs. Lacs		
Rate Rs/KL		

\* (As recovered from party)

There were no foreign exchange earnings and outgo during the period under the consideration.

## 10. PARTICULARS OF EMPLOYEES

Since none of the employees of the Company was drawing remuneration in excess of limits laid down pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, details herewith are not furnished.

## 11. PERSONNEL

Your Directors place on record their appreciation to the sincere and dedicated services put in by the employees of the Company at all the levels and in the departments of the Company.

## 12. BANKERS

The Directors place on the record their appreciation for the support and co-operation received from all the Bankers.

For and on behalf of the Board of Directors

Dhirajlal B. Jangla  
Chairman

Place: Mumbai  
Date: September 07, 2013

Registered Office:  
327, Arun Chambers,  
3<sup>rd</sup> Floor, Tardeo,  
Mumbai – 400034.

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## REPORT OF CORPORATE GOVERNANCE 2012-2013

(Pursuant to clause 49 of the Listing Agreement)

### **1. Company's philosophy on Corporate Governance**

Your Company GRAND FOUNDRY LIMITED has always been committed to the highest level of corporate governance and believes in strengthening investors' trust and thereby ensuring a long-term partnership with them. Your Company believes in adopting the best corporate governance practices and protecting rights and interests of stakeholders. We further believe that the shareholders have the right to know the complete information on the Board of Directors and the management, their interest in the organization as well as governance practice to be followed by them.

Our governance philosophy is based on the following:-

1. Provide an enabling environment to harmonise the goals of maximizing stakeholder value and maintaining a customer-centric focus.
2. Have a simple and transparent corporate structure driven solely by business needs.
3. Communicate externally, in a truthful manner, about how the company is run internally.
4. Make clear distinction between personal conveniences and corporate resources.
5. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
6. Satisfy the spirit of the law and not just the letter of the law.

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company and its Directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

### **2. Board of Directors**

The Business of the Company is managed by a Board of Directors. The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Managing Director manages the day-to-day operations of the company.

#### **a. Size and Composition of Board**

The Board of Directors has the ideal composition with more than half of the directors being Non-Executive Directors. The Non-Executive Directors bring external and wider perspective confirming therewith in depth business deliberations and decisions advantage.

The composition and category of Directors as on March 31, 2013 are as under:-

Name of Directors	Category	No. of Directorships in other Companies		No. of Membership/ Chairmanship of other Board Committees	
		Public	Private	Member	Chairman
Mr. Dhirajlal B. Jangla	Chairman & Executive	4	-	3	-
Mr. Kiran D. Jangla	Managing Director & Executive	4	2	4	-
Mr. Hiten D. Jangla	Joint Managing Director & Executive	2	1	2	-
Mr. Bidhan Gujarati	Independent Director & Non- Executive -	1	-	-	-

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**b. Attendance at Board Meeting and Annual General Meeting:-**

During the accounting year 2012-13, Six Board Meetings were held on April 25, 2012, June 30, 2012, September 05, 2012, November 20, 2012, January 30, 2013 and March 25, 2013.

The Annual General Meeting of the Company for the financial year 2011-2012 was held on September 28<sup>th</sup>, 2012.

**Attendance at Board Meeting and last Annual General Meeting:-**

Name of Directors	No. of Board Meetings attended	Attendance at last AGM
Mr. Dhirajlal B. Jangla	5	Present
Mr. Kiran D. Jangla	5	Present
Mr. Hiten D. Jangla	5	Present
Mr. Bidhan Gujarati	5	Present

**c. Board's Functioning & Procedures:-**

Board Members are given appropriate documents and information in advance of each Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director reviews the overall company performance.

The functions performed by the Board include the review of:

- Unaudited Quarterly/half yearly financial results and audited annual accounts of the company including segment wise revenue, results and capital employed, for consideration and approval,
- Minutes of meetings of audit, share holders grievance committee and remuneration committee,
- Abstracts of circular resolutions passed,
- General notices of interest,
- Strategy and Business Plans
- Sale and/or purchase of investments, fixed assets.
- Compliance with statutory/ regulatory requirements and review of major legal issues
- Review compliance of all laws applicable to the Company including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the Company to rectify instances of non compliances, if any.
- Related party transactions,
- Reviewing the company's financial and risk management policies.
- Reviewing the business plan and strategy of the Company.

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

The Minutes of the Meetings of the Board are circulated through email to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit committee and shareholders' grievance committee are also individually given to the Board Directors and thereafter tabled for discussion at the subsequent Board Meeting.

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## 3. Audit Committee

Audit committee acts as a link between the statutory and internal auditors and the Board of Directors. The Audit Committee has the members with sound knowledge of finance, accounting and law. The primary objective of the audit committee is to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures. The Committee deals with accounting matters, financial reporting and internal controls. The power and role of the Audit Committee is as per guidelines set out in the amended listing agreements. The Board of Directors of the Company has constituted an Audit Committee.

### a. Size and Composition:-

The Board constituted an Audit Committee of Directors having Mr. Dhirajjal B. Jangla – Non- Executive as Chairman of the Committee, Mr. Kiran B. Jangla – Managing Director, Mr. Hiten D. Jangla - Joint Managing Director & Executive and Mr. Bidhan Gujarati as Non - Executive Independent Directors.

The members of the Committee are well versed in finance / accounts, legal matters and general business practices.

### b. Attendance at the Audit Committee Meetings:-

During the accounting year 2012-13, four Audit Committee Meetings were held on May 02, 2012, September 20, 2012, October 30, 2012 and March 1, 2013

Name of Directors	No. of Audit Committee Meetings attended
Mr. Dhirajjal B. Jangla	4
Mr. Kiran B. Jangla	4
Mr. Hiten D. Jangla	4
Mr. Bidhan Gujarati	4

### c. The functions of the Audit Committee include the following:-

- Ø Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Ø Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other expenses.
- Ø Reviewing with management the annual / half-yearly / quarterly financial statements before submission to the Board.
- Ø Reviewing with management, external and internal auditors, the adequacy of the internal control systems.
- Ø Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading of the department, reporting structure coverage and frequency of internal audit.
- Ø Discussion with external auditors before the audit, any significant findings and follow up thereon.
- Ø Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Ø Discussion with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Ø Reviewing the company's financial and risk management policies.
- Ø To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non payment of declared dividends) and creditors.
- Ø Related party transactions,

# Grand Foundry Ltd.

- Ø To review the matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
- Ø To review the Management discussion and analysis of financial condition and results of operations.
- Ø To recommend re-appointment of Statutory Auditors and to fix their remuneration.

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

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

The Statutory Auditors and Managing Director are invitees to the Audit Committee Meetings.

#### 4. Remuneration Committee

The Board of Directors has constituted a Remuneration Committee to determine the remuneration payable to the Managing Director taking into account their qualification, experience, contribution and the prevailing level of remuneration in companies of corresponding size and nature.

During the accounting year 2012-13, four Remuneration Committee Meetings were held on May 02, 2012, September 20, 2012, October 30, 2012 and March 1, 2013.

Name of Directors	No. of Remuneration Committee Meetings attended
Mr. Dhirajlal B. Jangla	4
Mr. Kiran B. Jangla	4
Mr. Hiten D. Jangla	4
Mr. Bidhan Gujarati	4

#### 5. Shareholders Grievance Committee

The committee has the mandate to review, redress shareholders' grievances, to approve all share transfers.

a. The functions of the Shareholders' grievance committee include the following:-

- Transfer /transmission of shares,
- Issue of duplicate share certificates,
- Review of shares dematerialized and all other related matters,
- Monitors expeditious redressal of investors' grievances,
- Non receipt of Annual report,
- All other matters related to shares.

The Chairman of the Committee is an Independent Non- Executive Director.

b. Size and Composition:-

The Company reconstituted Shareholders Grievance Committee in to specifically look into the redressal of the shareholders grievances and also the share transfers and other investor related matters. The Committee consists of:-

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Mr. Dhirajlal B. Jangla - Chairman and Mr. Kiran D. Jangla and Mr. Hiten D. Jangla – Members. Mr. Anant Gawde - Junior Officer has been designated as the Compliance Officer.

c. Meeting of the Shareholders' grievance committee Meetings:-

During the accounting year 2012-13, four Shareholders' grievance committee

Meetings were held on May 02, 2012, September 20, 2012, October 30, 2012 and March 1, 2013.

## 6. General Body Meetings

Location and time of Annual General Meetings held in last Five years are as under:-

Financial Year	Day and Date	Location	Time
2007-2008	Tuesday September 30, 2008	327, Arun Chambers, 3 <sup>rd</sup> Floor, Tardeo, Mumbai – 400 034	10.00A.M.
2008-2009	Tuesday September 29, 2009	327, Arun Chambers, 3 <sup>rd</sup> Floor, Tardeo, Mumbai – 400 034	10.00A.M
2009-2010	Wednesday September 29, 2010	327, Arun Chambers, 3 <sup>rd</sup> Floor, Tardeo, Mumbai – 400 034	11.00A.M
2010-2011	Thursday September 29, 2011	327, Arun Chambers, 3 <sup>rd</sup> Floor, Tardeo, Mumbai – 400 034	11.00 A.M
2011-2012	Friday September 28, 2012	327, Arun Chambers, 3 <sup>rd</sup> Floor, Tardeo, Mumbai – 400 034	11.00 A.M

## 7. Disclosures

- The related party transactions as per Accounting Standard 18 is set out at note no. 4 of Schedule "I" in notes forming part of accounts in the Annual Report. These transactions are not likely to have any conflict with the Company's interest.
- The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to capital markets and no penalties / strictures were imposed on the Company during the last three years.
- No penalty has been imposed on the Company by the Stock Exchange (BSE) or the Securities and Exchange Board of India (SEBI) or any statutory authority on any matters related to capital markets during last three years.
- Further with the latest update available, against the order of BIFR dated 21.12.2009 the company appealed before AAIFR. AAIFR set aside the impugned order and remand the case to the BIFR with the direction to consider the DRS submitted by the appellant company and proceed further in accordance with Law vide AAIFR Order dated 22.03.2012.
- There were no transfers to Investor Education and protection fund during the year.
- Adoption of non mandatory requirements under Clause 49 of the Listing Agreement are being reviewed by the Board from time to time.

## 8. Code of Conduct:-

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors

and Senior Management. The Code is reviewed from time to time by the Board. The said Code has been communicated to the Directors and the Members of the Senior Management.

**9. Trading in the Company's shares by Directors and Designated Employees:-**

There was no trading in the Company's shares in the year under review as the trading was suspended by the Bombay Stock Exchange.

**10. Means of Communication:**

- Ø The quarterly and half-yearly results of the Company are published in English and Marathi National dailies.
- Ø The Management Discussion and Analysis Report forms a part of this Annual Report, which is sent to each member by post.
- Ø The Company informs the Stock Exchange all price sensitive matters or such other matters which are material and of relevance to the shareholders and subsequently issues a Press Release on the said matters.

**11. General Shareholder Information:**

**a. Annual General Meeting**

- > Date : September 30, 2013
- > Time : 11.00 A.M
- > Venue : 327, Arun Chambers, 3<sup>rd</sup> Floor, Tardeo, Mumbai – 400 034.

**b. Financial Calendar:**

> Financial Reporting for

Quarter ending June 30,2012	By end July 2012
Quarter/Half year ending Sept. 30, 2012	By end October 2012
Quarter ending December 31 , 2012	By end January 2013
Quarter/Year ending March 31, 2013	By end April 2013

- Ø Date of Book Closure : September 22, 2013 to September 30, 2013  
(both days inclusive)

**c. Market information**

- Ø Listing on Stock Exchange : The Stock Exchange, Mumbai.
- Ø Listing fee for the year 2012-13 has been paid to the Stock Exchange.
- Ø Stock Code : 513343 on The Stock Exchange, Mumbai
- Ø ISIN No. CDSL & NSDL : INE534A01010
- Ø Market Price Data : High / Low price during each month of 2012-13 on The Stock Exchange, Mumbai and BSE Sensex are as under:

# Grand Foundry Ltd.

	The Stock Exchange, Mumbai	
	Highest(Rs.)	Lowest(Rs.)
April, 2012	No Trading In The Year Under Review	No Trading In The Year Under Review
May, 2012		
June, 2012		
July, 2012		
August, 2012		
September, 2012		
October, 2012		
November, 2012		
December, 2012		
January, 2013		
February, 2013		
March, 2013		

d. Share Transfer System and other related matters

➤ Registrar and Share

Transfer Agent : For both physical & demat segments:  
M/s Computech Sharecap Limited  
47, M.G. Road, 3<sup>rd</sup> Floor, Opp. Jehangir  
Art Gallery, Fort, Mumbai - 400023.  
Tel No. 022-22671824/25. Fax No.22635000.

➤ Share Transfer System : The shares lodged for transfer are processed by the Registrar and Transfer Agent and are approved by Shareholders Grievance Committee. Shares sent for transfer in physical form are registered and returned within a maximum period of 30 days from the date of receipt, subject to documents being valid and complete in all respects. Similarly all requests for demat are received and processed by the Registrar and Transfer Agents and confirmations given to the depositories within the prescribed time limit.

➤ Nomination Facility for Shareholding

: As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Transfer agents of the Company

➤ Correspondence regarding

Change in Address : Member are requested to address all correspondences, including dividend Matters, to the Registrar and Share transfer Agents, M/s Computech Sharecap Limited 47, M.G. Road, 3<sup>rd</sup> Floor, Opp. Jehangir Art Gallery, Fort, Mumbai - 400023. Tel No. 022-22671824/25. Fax No.22635000



# Grand Foundry Ltd.

> Distribution of Share holding as on 31.3.2013

NO. OF EQUITY SHARES HELD (1)	NO. OF SHARE HOLDERS (2)	% OF SHARE HOLDERS (3)	NO. OF SHARES HELD (4)	% OF SHARE HOLDING (5)
UPTO 5000	24122	99.10%	6059196	58.09%
5001 - 10000	119	0.49%	942671	9.04%
10001 - 20000	51	0.21%	778925	7.47%
20001 - 30000	22	0.09%	518665	4.97%
30001 - 40000	3	0.01%	103175	0.99%
40001 - 50000	5	0.02%	250000	2.40%
50001 - 100000	14	0.06%	1007395	9.66%
100001 - 9999999	5	0.02%	769973	7.38%
TOTAL	24341	100.00%	10430000	100.00%

> Shareholding Pattern as on 31.3.2013

Category	No. of Shares held	Percentage to total (%)
a. Promoters, Directors & Relatives	1336590	12.81
b. Persons acting in concert	0	0
c. Mutual Funds / UTI	2600	0.02
d. Banks & Financial Institutions & Insurance Companies(Central/ State)	4580	0.04
e. Govt. Institutions/ Non - Govt. Institutions	0	0.00
f. Private Corporate Bodies	737165	7.07
g. Indian Public	8332402	79.89
h. NRIs/OCBs	16663	0.16
Total	10430000	100

- > Dematerialisation of Shares : No dematerialisation took place during the quarter
- > Outstanding GDRs/ ADRs / Warrants or any convertible Instrument, conversion date and likely impact on equity. : Nil
- > Address for Correspondence : 327, Arun Chambers,  
3<sup>rd</sup> Floor, Tardeo,  
Mumbai - 400 034.

# Grand Foundry Ltd.

## DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31<sup>st</sup> March 2013.

For **GRAND FOUNDRY LIMITED**

**Dhirajlal B. Jangla**  
Chairman

Place: Mumbai

Date: September 07, 2013

### **CHIEF EXECUTIVE OFFICER (CEO) and CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We, Dhirajlal B. Jangla, Chairman and Mr. Anant Gawde Junior Officer & Compliance Officer, of GRAND FOUNDRY LIMITED, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and profit and loss account and notes on accounts, as well as the cash flow statements and the directors' report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements and other financial information included in this report, fairly present in all material respects, the financial condition, results of the operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. The Company's other certifying officers and we, are responsible for establishing and maintaining disclosure controls and procedures for the Company, and we have :
  - a. designed such disclosure controls and procedures to ensure that material information relating to the Company, is made known to us by others within those entities particularly during the period during which this report is being prepared; and
  - b. Evaluated the effectiveness of the company's disclosure, controls and procedures.
6. The Company's other certifying officers and we, have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board of Directors (and persons performing equivalent functions):
  - a. all significant deficiencies in the design or operation of internal controls , which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's auditors, any material weakness in internal controls;
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls;
  - c. the company's other certifying officers and we, have indicated in this report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weakness; and

- d. All significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
7. In the event of any materially significant misstatements or omissions, the signing officers will return to the Company that part of any bonus or incentive or equity –based compensation, which was inflated on account of such errors, as decided by the Audit Committee;
8. We affirm that we have not denied any personnel access to the Audit Committee of the Company;
9. We further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

**Dhirajlal B. Jangla**  
Chairman

**Anant Gawade**  
Accounts Officer & Compliance Officer

Place: Mumbai

Date: September 07, 2013

## COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

Company Secretary's Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement (s)

The Members of  
Grand Foundry Limited

We have examined the compliance of conditions of Corporate Governance by Grand Foundry Limited for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For **Payal Gala & Associates**  
Practicing Company Secretaries

Place: Mumbai

Date: September 07, 2013

**Payal Gala**  
CP No. 9513

# Grand Foundry Ltd.

**THACKER BUTALA DESAI CHARTERED ACCOUNTANTS,**  
381, ISMAIL BUILDING, 2<sup>ND</sup> FLOOR, DR. D.N. ROAD, FORT, MUMBAI 400001  
TEL: 22049473/22042086 E-Mail: tbd@vsnl.com

## CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of Grand Foundry Limited.**

We have examined the compliance of Corporate Governance by GRAND FOUNDRY LIMITED for the year ended on 31<sup>st</sup> March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review of the procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of the Certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor expression of opinion on the financial statements of the company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that, subject to comments given in the Report on Corporate Governance, the company has complied with the conditions of Corporate governance as stipulated in the above mentioned List Agreement.

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

**For Thacker Butala Desai  
Chartered Accountants  
FRN:110864W**

**MIHIR N. MAJMUDAR, Partner  
M. No: 32724**

**Mumbai:  
Date : 7th September, 2013**

**THACKER BUTALA DESAI CHARTERED ACCOUNTANTS,**

381, ISMAIL BUILDING, 2<sup>ND</sup> FLOOR, DR. D.N. ROAD, FORT, MUMBAI 400001

TEL: 22049473/22042086 E-Mail: tbd@vsnl.com

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF **GRAND FOUNDRY IMITED**

**REPORT ON THE FINANCIAL STATEMENTS:**

We have audited the accompanying financial statements of **GRAND FOUNDRY IMITED** [the Company] which comprise Balance Sheet as at 31<sup>st</sup> March, 2013, the Statement of Profit and Loss for the year ended 31-Mar-2013 and a summary of significant accounting policies and other explanatory information for the same year.

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

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

**AUDITORS' RESPONSIBILITY:**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standard 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 financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 the management, as well as evaluating the overall presentation of the financial statements.

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

**OPINION:**

In our opinion and to the best of our information and according to the explanations given to us, the said 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 31<sup>st</sup> March, 2013,
- (b) in the case of the Statement of Profit and Loss of the Profit for the year ended on that date; and
- (c) in case of the Cash Flow Statement for the year ended on that date.

# Grand Foundry Ltd.

## 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 Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by Section 227(3) of the Act, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) 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.
  - (iii) 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.
  - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

**For Thacker Butala Desai  
Chartered Accountants  
FRN:110864W**

**MIHIR N. MAJMUDAR, Partner  
M. No: 32724**

**Mumbai:**

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## ANNEXURE TO THE AUDITOR'S REPORT

- (i)
  - (a) On the basis of checks carried out by us on records produced before us, we have to state that the quantitative details and situation of fixed assets are not readily available and thus not produced before us.
  - (b) We are informed by the Management that they have physically verified these fixed assets at reasonable intervals and no material discrepancies were noticed on such verification.
  - (c) No substantial part of the fixed assets have been disposed off during the year.
- (ii)
  - (a) We are informed by the Management that physical verification of inventory has been conducted by them at reasonable intervals.
  - (b) We are of the opinion that the procedures for physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) We are of the opinion that the company is maintaining proper records of inventory and material discrepancies, if any, noticed on physical verification have been properly dealt with in the books of Accounts.
- (iii) On the basis of information and explanation made available to us, we find that the company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) From the checks carried out by us, we are of the opinion that there exists no adequate internal control commensurate with the size of the company and nature of its business, for purchase of inventory and fixed assets and for sale of goods.

# Grand Foundry Ltd.

- (v) (a) From the checks carried out by us, we find that the transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered.
- (b) From the information and explanation made available to us, we find that each of these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) From the checks carried out by us, we are of the opinion that the company has not accepted deposits from the public.
- (vii) From the checks carried out by us, we are of the opinion that the company has no internal audit system commensurate with its size and nature of its business.
- (viii) From the information and explanation made available to us, we are of the opinion that prima facie the prescribed accounts and records as required under clause (d) of sub-section (l) of section 209 of the Act, have been made and maintained.
- (ix) (a) According to the records of the company, no Provident Fund deductions have been made. We have been informed by the management, that the company is not covered under the Employee's State Insurance Scheme.
- (x) As at the balance sheet date, the Company's has accumulated loss and it has incurred cash losses in the financial year ended on that date or in the immediately preceding financial year. The company has an accumulated loss of more than hundred percent of its net worth and it is a sick company within the meaning of clause (o) of subsection (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- (xi) From the checks carried out by us and from explanation and information made available to us, we are of the opinion that the company has defaulted in repayment of dues to a financial institutions or bank or debenture holders. However, the Financial Institutes have waived interest and principal amount during the year.
- (xii) We are informed by the management that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) We are informed by the management that the company is neither a chit fund or a niddhi/ Mutual benefit fund or a society.
- (xiv) From the checks carried out by us, we are of the opinion that the Company has not done any dealing or trading in shares, securities, debentures and other investments.
- (xv) We are informed by the management that the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) From the checks carried out by us and from the information and explanation made available to us, we are of the opinion that the term loans, if any, were applied for the purpose for which the loans were obtained.
- (xvii) From the checks carried out by us and from the information and explanation made available to us, we are of the opinion that the funds raised on short term basis have not been used for long term investments and vice versa.
- (xviii) We are informed that the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act and if so, the price at which such shares have been issued are not prejudicial to the interest of the company.
- (xix) We are informed that the securities created in respect of debentures, if any, issued in the past is as stated in Schedule to the Balance sheet.
- (xx) The Company has not raised any money from public issue during the year.
- (xxi) From the checks carried out by us, we find that no fraud on or by the company has been noticed or reported during the year.

For Thacker Butala Desai  
Chartered Accountants  
FRN:110864W

MIHIR N. MAJMUDAR, Partner  
M. No: 32724

Mumbai:

# Grand Foundry Ltd.

## BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Sch. No.	AS AT 31st MARCH 2013 Rs.	AS AT 31st MARCH 2012 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	104300000	104300000
(b) Reserves and Surplus	2	(147090454)	(246435955)
		<u>(42790454)</u>	<u>(142135955)</u>
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	63156417	139362133
(b) Deferred Tax Liabilities (Net)		6575878	11767187
		<u>69732295</u>	<u>151129320</u>
<b>(3) Current Liabilities</b>			
(a) Trade Payables	4	1727921	1373468
(b) Other Current Liabilities	5	17429	1537467
(c) Short-Term Provisions	6	18658138	33613890
		<u>20403489</u>	<u>36524825</u>
		<u>47345330</u>	<u>45518190</u>
<b>Total Equity &amp; Liabilities</b>			
<b>II ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets (Tangible)</b>			
Tangible Assets	7	42735555	38264237
(b) Long term loans and advances	8	600000	500000
		<u>43335555</u>	<u>38764237</u>
<b>(2) Current Assets</b>			
(a) Trade receivables	9	851719	4858423
(b) Cash and cash equivalents	10	195660	499370
(c) Short-term loans and advances	11	2962396	1396160
		<u>4009775</u>	<u>6753953</u>
		<u>47345330</u>	<u>45518190</u>
<b>Total Assets</b>			

### NOTES TO ACCOUNTS

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As per our Report of even date.  
FOR THACKER BUTALA DESAL  
CHARTERED ACCOUNTANTS  
FRN.: 11086W

FOR GRAND FOUNDRY LTD

Dhirajlal B. Jangla, Chairman

MIHIR N. MAJMUJAR, Partner  
Membership No. : 32724

Kiran D Jangla , Managing Director

MUMBAI :

DATED: Date : 7th September, 2013

Hiten D. Jangla Jt. Managing Director



# Grand Foundry Ltd.

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

Particulars	Sch. No.	Figures as on 31 March 2013 Rs.	Figures as on 31 March 2012 Rs.
I Revenue from operations	12	20421943	26647294
II Other Income	13	613185	240032
III <b>III. Total Revenue (I +II)</b>		<u>21035128</u>	<u>26887326</u>
IV <b>Expenses:</b>			
Consumption of Raw Materials	14	1479178	2173825
Employee Benefit Expense	15	9089740	9797644
Financial Costs	16	5946229	12067625
Depreciation and Amortization Expense		2027536	2027809
Other Expenses	17	8937922	14900819
<b>Total Expenses (IV)</b>		<u>27480605</u>	<u>40967721</u>
V Profit/(Loss) before exceptional and extraordinary items and Tax	(III - IV)	<u>(6445477)</u>	<u>(14080395)</u>
VI Exceptional Items	18	396096	50348
VII Profit/(Loss) before extraordinary items and tax (V - VI)		<u>(6841573)</u>	<u>(14130743)</u>
VIII Extraordinary Items	19	90995764	-
IX Profit/(Loss) before tax (VII - VIII)		<u>84154191</u>	<u>(14130743)</u>
X <b>Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		5191309	(8595949)
XI Profit/(Loss) from the year from continuing operations (IX-X)		<u>89345500</u>	<u>(5534794)</u>
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discounting operations		-	-
XIV Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV Profit/(Loss) for the year (XI + XIV)		<u>89345500</u>	<u>(5534794)</u>
XVI Earning per equity share:			
(1) Basic		8.57	(0.53)
(2) Diluted		8.57	(0.53)

*Schedules referred to above and notes attached there to form an Integral part of Profit & Loss Statement*

*This is the Profit & Loss Statement referred to in our Report of even date.*

As per our Report of even date.  
FOR THACKER BUTALA DESAL  
CHARTERED ACCOUNTANTS  
FRN.: 11086W

FOR GRAND FOUNDRY LTD

Dhirajlal B.Jangla, Chairman

MIHIR N. MAJMUDAR, Partner  
Membership No. : 32724

Kiran D Jangla , Managing Director

MUMBAI :  
DATED : Date : 7th September, 2013

Hiten D.Jangla Jt. Managing Director

# Grand Foundry Ltd.

## Schedules Forming Integral Part of the Balance Sheet as at 31st March 2013

Particulars	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
<b>Schedule : 1 Share Capital</b>		
<b>1 AUTHORIZED CAPITAL</b>		
3,00,00,000 Equity Shares of Rs. 10/- each.	300000000	300000000
(P.YR.3,00,00,000 Equity Shares of Rs.10/-each)		
100,000 15% Preference Shares of Rs. 10/- each	1000000	1000000
	<u>301000000</u>	<u>301000000</u>
<b>2 ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
1,04,30,000 Equity Shares of Rs.10/-each		
(includes 59,80,000 Equity Shares issued as		
Bonus shares of which 10,00,000 Equity		
Shares of which 10,00,000 Equity Shares allotted		
as Bonus Shares by capitalising general reserves		
in 1989-90;	104300000	104300000
<b>Total in ₹</b>	<u>104300000</u>	<u>104300000</u>

2(b) Details of shareholders holding more than 5% equity Shares in the Company on reporting date:	As at		As at	
	31 March 2013		31 March 2012	
	No. of shares	% of holding	No. of shares	% of holding
UPTO 5000	6059196	58.09%	6059196	58.09%
5001-10000	942671	9.04%	942671	9.04%
10001-20000	778925	7.47%	778925	7.47%
50001-100000	1007395	9.66%	1007395	9.66%
100001-9999999	769973	7.38%	769973	7.38%

### Schedule : 2 Reserve & Surplus

<b>1 Capital Reserve</b>		
Opening balance — Rs. 199500		
Addition during the year —Rs. 10000000	10199500	199500
<b>2 Capital Redemption Reserve</b>	11000	11000
<b>3 Share Premium reserve</b>	4671500	4671500
<b>4 Debenture Redemption Reserve</b>	882000	882000
<b>5 Profit and Loss Account :</b>		
Balance brought forward from previous year	(252199955)	(246665161)
Add: Profit/(Loss) for the period	89345500	(5534794)
	<u>(162854454)</u>	<u>(252199955)</u>
<b>Total in ₹</b>	<u>(147090454)</u>	<u>(246435955)</u>

### Schedule : 3 Long Term Borrowings

<b>1 Term Loan -Unsecured</b>		
- From Promotors	55,403,835	48,460,300
- From Financial Institution	3,000,000	86,901,833
- Ceat Financial Services Ltd	-	400,000
- Sundaram Finance Services Ltd	-	1,200,000
- Zenith Ltd	2,400,000	2,400,000
<b>Total in ₹</b>	<u>60,803,835</u>	<u>139,362,133</u>

# Grand Foundry Ltd.

## Schedules Forming Integral Part of the Balance Sheet as at 31st March 2013

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
<b>Schedule : 3-A Advances from customers</b>		
1 D H EXPORTS PVT LTD	1,612,582	-
2 SUNFLAG IORN & STEEL CO LTD (SALE OF M/C)	740,000	-
	<u>2,352,582</u>	<u>-</u>
<b>Schedule : 4 Trades Payable</b>		
-Sundry Creditors for Materiel/Supplies	-	529,275
-Sundry Creditors for Services	1,727,921	844,193
<b>Total in ₹</b>	<u>1,727,921</u>	<u>1,373,468</u>
<b>Schedule : 5 Other Current Liabilities</b>		
1 Service Tax Payable	15,499	1,532,805
2 TDS -Retainership Fees	-	250
3 TDS -Professional Fees	1,000	4,412
4 TDS -Contract	930	-
<b>Total in ₹</b>	<u>17,429</u>	<u>1,537,467</u>
<b>Schedule : 6 Short Term Provisions</b>		
<b>Others</b>		
Sales Tax Payable	9,572,038	22,210,000
DGFT Payable	2,519,000	2,519,000
Sales Tax Appeal Liability Payable	-	1,365,455
Contribution to E.S.I.C.Payable	3,095,000	1,125,000
Provident Fund Liability	-	3,600,000
Central Excise Duty Payable	1,391,356	1,391,356
Audit Fees Payable	257,766	190,350
Contribution to M.L.W.F.	15,378	4,455
Contribution to Profession Tax	4,375	525
Contribution to Provident Fund	2,441	-
Salary Payable	229,452	-
Retainership Fees Payable	91,350	24,750
Wages Payable	582,658	411,879
Stipend Payable	37,778	-
OverTime Wages Payable	56,763	-
Provision for Expenses	767,654	771,120
Vat Payable Asst.Year 2010-2011	21,557	-
CST Payable Asst.Year 2010-2011	3,440	-
Vat Payable Asst.Year 2011-2012	2,509	-
Vat Payable Asst.Year 2013-14	3,106	-
Interest to Sales Tax Payable	4,517	-
<b>Total in ₹</b>	<u>18,658,138</u>	<u>33,613,890</u>

# Grand Foundry Ltd.

## Schedules Forming Integral Part of the Balance Sheet as at 31st March 2013

### Schedule : 7 Fixed Asset

Sr. No	Particulars	As at 01.04.2012	Addition during the year	Deduction during the year	As at 01.04.2012	Addition during the year	Deduction during the year	As at 31.03.2013	As at 31.03.2013	As at 01.04.2012
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	<b>TANGIBLE ASSETS</b>									
1	Plant & Machinery	87,410,094	6,498,854	-	93,908,948	49,472,237	1,986,783	-	51,459,020	42,449,928
2	Motor Car	428,989	-	-	428,989	102,609	40,753	-	143,362	285,627
	<b>TOTAL [I + II]</b>									
	(Current Year)	87,839,083	6,498,854	-	94,337,937	49,574,846	2,027,536	-	51,602,382	42,735,555
	(Previous Year)	87,839,083	-	-	87,839,083	47,547,037	2,027,809	-	49,574,846	38,264,237

# Grand Foundry Ltd.

## Schedules Forming Integral Part of the Balance Sheet as at 31st March 2013

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
<b>Schedule : 8 Long Term Loans and Advances</b>		
1) <b>Security Deposit</b>		
a) <b>Secured, Considered Good :</b>		
Other Deposit	600,000	500,000
b) <b>Unsecured, Considered Good :</b>	-	-
c) <b>Doubtful</b>	-	-
<b>Total in ₹</b>	<b>600,000</b>	<b>500,000</b>
<b>Schedule : 9 Trade Receivables</b>		
1 <b>Outstanding for more than six months</b>		
a) <b>Secured, Considered Good :</b>	40,390	40,390
b) <b>Unsecured, Considered Good :</b>	-	-
c) <b>Doubtful</b>	-	-
2 <b>Others</b>		
a) <b>Secured, Considered Good :</b>	811,329	4,818,033
b) <b>Unsecured, Considered Good :</b>	-	-
c) <b>Doubtful</b>	-	-
<b>Total in ₹</b>	<b>851,719</b>	<b>4,858,423</b>
<b>Schedule : 10 Cash &amp; Cash Equivalent</b>		
1 <b>Cash-in-Hand</b>		
Cash Balance	55,737	174,216
<b>Sub Total (A)</b>	<b>55,737</b>	<b>174,216</b>
2 <b>Bank Balance</b>		
With ICICI Bank	60263	14,941
With Indian Overseas Bank	6654	310,213
With Canara Bank	73006	-
<b>Sub Total (B)</b>	<b>139,923</b>	<b>325,154</b>
<b>Total [ A + B ]</b>	<b>195,660</b>	<b>499,370</b>
<b>Schedule : 11 Short Terms Loans and Advances</b>		
1 <b>Loans &amp; Advances from related parties</b>		
a) <b>Secured, Considered Good :</b>	-	-
b) <b>Unsecured, Considered Good :</b>	-	-
c) <b>Doubtful</b>	-	-
2 <b>Advance Recoverable in cash or in kind or for value to be considered good</b>		
<b>Advance to Suppliers</b>	2,000,000	143,164
<b>Advance to Staff</b>	46,000	46,000
<b>Advance Income Tax/Refund Due</b>	834,796	1,000,163
<b>Balance With Revenue Authorities ( Indirect Taxes)</b>	-	107,463
<b>Prepaid Expenses</b>	42,089	59,859
<b>Excess Payment Made ( Car Loan)</b>	39,511	39,511
<b>Total in ₹</b>	<b>2,962,396</b>	<b>1,396,160</b>

# Grand Foundry Ltd.

## Schedules Forming Part of the Profit & Loss Accounts as at 31st March 2013

Particulars	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
<b>Schedule : 12 Revenue from Operations</b>		
1 Job Work Receipts	14,724,204	17,204,860
2 Conductorship Charges Received	4,347,739	9,442,434
3 SALE OF CONSUMABLES	1,350,000	-
<b>Total in ₹</b>	<b>20,421,943</b>	<b>26,647,294</b>
<b>Schedule : 13 Other Income</b>		
1 Other Receipts	84,944	239,761
2 Sundry Dr/Cr. Bai.W/off	358,109	271
3 Interest Reced from Income Tax	45,922	-
5 Reimbursement of Power Chgs	124,210	-
<b>Total in ₹</b>	<b>613,185</b>	<b>240,032</b>
<b>Schedule : 14 Consumption of Raw Materials &amp; Stores</b>		
1 Consumption of Oil	202,329	120,960
2 Consumption of Acid	-	33,853
3 Consumption of Others(Petrol,Diesel)	-	4,420
4 Consumption of Mach Stores STC	862,349	1,238,231
5 Consumption of Stores & Spares	397,408	706,514
6 Consumption of Mach -Dies	10,200	6,409
7 Consumption of Gas	160	504
8 Consumption of Mach Stores -Elec	6,732	62,933
<b>Total in ₹</b>	<b>1,479,178</b>	<b>2,173,825</b>
<b>Schedule : 15 Employment Benefit Expenses</b>		
1 Salaries, Bonus, PF & ESIC		
Salary	2,281,501	2,600,545
Wages	4,762,256	4,657,150
Overtime Wages	827,082	1,138,585
Earning Leave	25,448	2,377
Bonus-Workers	375,240	371,221
Bonus-Staff	168,710	242,244
Ex-Gratia	-	45,306
Medical Allowance	46,095	107,095
Attendance & Production Bonus	-	46,977
Contribution to M.L.W.F.	11,208	408
Contribution to Provident Fund	543,899	520,959
Contribution to Administ.Expenses	48,301	46,267
Contribution to Union	-	18,510
<b>Total in ₹</b>	<b>9,089,740</b>	<b>9,797,644</b>
<b>Schedule :16 Financial Cost</b>		
1 Interest on Financial Institution	-	4,104,002
2 Interest on Debentures	1,176,253	1,065,033
3 Interest To Promotors	4,737,174	4,229,620
4 Interest to Others	18,286	2,646,537
5 Bank Charges	14,516	22,433
<b>Total in ₹</b>	<b>5,946,229</b>	<b>12,067,625</b>

# Grand Foundry Ltd.

## Schedules Forming Part of the Profit & Loss Accounts as at 31st March 2013

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
<b>Schedule : 17 Other Expenses</b>		
<b>A) Direct Expenses</b>		
1 Processing Labour Charges	270,443	6,157
2 Power & Fuel	1,342,192	2,387,739
3 Packing, Freight & Forwarding	58,864	122,725
4 Factory Expenses	87,509	55,303
5 Repair & Maintenance	154,246	201,063
<b>Sub-total (a)</b>	<b><u>1,913,254</u></b>	<b><u>2,772,987</u></b>
<b>B) Administrative Expenses</b>		
1 Telephone Expenses(Including Postage)	267,841	253,703
2 Car Expenses ( <i>Including Insurance</i> )	231,831	767,037
3 Hire Chgs-Motor Car	-	106,550
4 Conveyance Expenses	54,624	141,517
5 Travelling Expenses ( <i>Including Foreign Travelling</i> )	3,194,089	3,861,235
6 Repair & Maintenance Others	363,663	1,358,470
7 Repair & Maintenance Office Equipment	28,500	-
8 General Expenses	27,159	574,615
9 Consultancy Chgs	3,000	-
10 Insurance Expenses	103,183	107,534
11 Internet & Website Expenses	-	21,301
12 Legal Expenses	6,800	38,585
13 Courier Charges	7,418	184,935
14 Postage & Telegram	-	100,200
15 Professional Charges	236,559	48,550
16 Brokerage	9,000	485,789
17 Staff Welfare	43,890	19,800
18 Canteen Expenses	186,394	73,249
19 Medical Expenses	88,501	233,704
20 Office Expenses	-	21,099
21 Books & Periodicals	2,126	2,101
22 Diwali Gift	300	39,120
23 Miscellaneous Expenses	-	4,902
24 Stationery Expenses	92,101	94,221
25 Auditor's Remuneration—Tax Audit	22,472	20,000
Audit Fees	44,944	40,000
26 Rent Rates & Taxes(Profession Tax)	-	2,500
27 Rent Paid	66,400	86,900
28 Sales Promotion Expenses	80,450	557,671
29 Membership & Subscription	200	52,487
30 Directors Club Expenses	105,166	166,184
31 Society Maintenance Chgs	-	3,610
32 Advertisement & Publicity	3,732	8,816
33 Donation	501	96,306
34 Security Service Chgs	727,191	727,186
35 Retainership fees	1,004,285	1,827,955
36 jobwork paid	22,348	-
<b>Sub-total (b)</b>	<b><u>7,024,668</u></b>	<b><u>12,127,832</u></b>
<b>Total in ₹</b>	<b><u>8,937,922</u></b>	<b><u>14,900,819</u></b>

# Grand Foundry Ltd.

## Schedules Forming Part of the Profit & Loss Accounts as at 31st March 2013

Particulars	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
<b>Schedule : 18 Exceptional Items</b>		
1 Interest/Penalty	189,701	10,568
2 Prior Year Expenses	206,395	39,780
<b>Total in ₹</b>	<u>396,096</u>	<u>50,348</u>
<b>Schedule : 19 Extraordinary Items</b>		
1 Sundry Dr/Cr Written Back	17,093,931	-
3 Excess Interest Provided to Bank	73,901,833	-
<b>Total in ₹</b>	<u>90,995,764</u>	<u>-</u>



# Grand Foundry Ltd.

**NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013**

**1 Accounting Policies**

(a) **Method of accounting**

The financial statement are prepared on accrual basis under the historical cost conventions.

(b) **Fixed Assets**

Fixed Assets are stated at cost less depreciation. Depreciation is provided on Written Down Value method, and Straight Line Method basis for some assets, as per the Schedule XIV of the Companies Act, 1956.

(c) **Borrowing Cost**

Borrowing cost include interest, fees and other charges incurred in connection with the borrowing of funds and is considered as revenue expenditure for the year in which it is incurred except for borrowing costs attributed to the acquisition / improvement of qualifying capital assets and incurred till the commencement of commercial use of the asset and which is capitalised as cost of the asset.

**2 In the opinion of the Board of Directors :-**

Against the order of BIFR dated 21.12.2009 the company appealed before AAIFR. AAIFR set aside the impugned order and remand the case to the BIFR with the direction to consider the DRS submitted by the appellant company and proceed further in accordance with Law vide AAIFR Order dated 22.03.2012.

**3 Additional information pursuant to Part II of the Schedule**

**A. \* Capacity**

Class of Goods	Unit	Current Year		Previous Year	
		Licensed Capacity	Installed Capacity	Licensed Capacity	Installed Capacity
Machine Tools	Tonnes	13500	13500	13500	13500

**Bright Bar Shafting**

\* As certified by the Director.

**B. Actual Production: Including Production of Job Work and exclusive of production out of rejected materials)**

	Unit	Quantity	Quantity
Bright Bars & Shafts	Tonnes	0	0
As Jobwork	Tonnes	8742.75	8198.05

**C. Expenditure in Foreign Currency: Nil 3007421**

<b>TOTAL</b>	Nil	3007421
	=====	=====

**D. Earning in Foreign Currency :-**

	Current Year	Previous Year
	Nil	Nil

# Grand Foundry Ltd.

**4 Payment to Directors**

Payment made to Directors Includes reimbursement of Club Expenses and Other Expenses of Rs.105166 plus mobile Expenses of Rs.53960/- (Previous Year Club Expenses Rs.166184/- and Mobile Expenses Rs. 161653/-)

5 Previous years figures are regrouped, re-classified and rearranged wherever necessary to make them comparable with the Current years figures.

6 Details relating to balances due to S.S.I. units are not readily available and thus not shown.

**7 Related Party Disclosures :**

The disclosures pertaining to the related parties as required by the Accounting Standard AS-18 Issued by the Institute of Chartered Accountants of India, as applicable, are indicated below :

- (i) Other related parties like Associates
  - > B.R.Corporation\*
  - > Dhiraj Iron & Steel Ltd.\*
  - > K.M.Properties Ltd
  - > Dhiraj Alloy & Stainless Steel Pvt.Ltd.\*(previously known as Dhiraj Mercantile Pvt. Ltd.)
- (ii) Key Management Personnel
  - > Mr. Kiran D. Jangla Managing Director
  - > Mr. Hiten D. Jangla, Jt. Managing Director

\* Indicate no transactions during the year with these related parties.

<b>8 Earning Per Share</b>	Current Year	Previous Year
	-----	-----
a) Weighted average number of shares at the beginning and end of the year	10430000	10430000
b) Net Profit / (-) Loss after Tax available for Equity Shareholders	89,345,500	(5,534,794)
c) Basic and Diluted Earnings per share ( Rupees )	<b>8.57</b>	<b>(0.53)</b>
9 Balance dues from Sundry Debtors and advances given are subject to confirmation.		

# Grand Foundry Ltd.

## PART IV

### BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

I) Registration Details		
Registration No:	017655	State Code : 11
Balance Sheet date :	31.03.2013	
II) Capital Raised during the year (Amount in RS. Thousands)		
Public Issue	NIL	Right Issue
Bonus Issue	NIL	Private Placement
	NIL	NIL
III) Position of Mobilisation and Deployment of Funds (Amount in RS. Thousands)		
	Total Liabilities	Total Assets
Sources of Funds	47,345	47,345
	Paid-Up Capital	Reserve & Surplus
	104,300	15,764
	Secured Loans	Unsecured Loans
Application of Funds	0	63,156
	Net Fixed Assets	Investments
	42,736	0
	Net Current Assets	Deferred Tax
	(16,394)	(6,576)
	Accumulated Losses	
	(162,854)	
iv) Performance of Company (Amount in RS. Thousands)		
	Turnover & Jobwork	Total Expenditure
	20422	19507
	Profit/( Loss) Before Tax	Profit/( Loss) After Tax
	84,154	89,346
	Earning per share in Rs	Dividend Rate:
	-	NIL
v) Generic Names of Three Principal / Services of Company (as per monetary terms)		
Item Code No (ITC Code)	722220	
<b>Productin Description :- STAINLESS STEEL BRIGHT BARS</b>		

As per our Report of even date.  
FOR THACKER BUTALA DESAL  
CHARTERED ACCOUNTANTS  
FRN.: 11086W

MIHIR N. MAJMUDAR, Partner  
Membership No. : 32724

MUMBAI :  
DATED : 7th September, 2013

FOR GRAND FOUNDRY LTD

Dhirajlal B.Jangla, Chairman

Kiran D Jangla , Managing Director

Hiten D.Jangla Jt.Managing Director

MUMBAI :  
DATED : 7th September, 2013

# Grand Foundry Ltd.

## CASH FLOW STATEMENT

	Year Ended 20012-2013	Year Ended 2011-2012
<b>Cash Flow from Operating Activities</b>		
Net Profit Before Tax & Extraordinary Items	(6,445,477)	(14,080,395)
Adjustments		
Depreciation	<u>2027536</u>	<u>2027809</u>
Operating Profit Before Working Capital Charges	(4,417,941)	(12,052,586)
Adjustment for		
Interest and Finance Charges	5946229	12067625
Trade and other receivable	2340468	(1,615,343)
Trade and other payable	<u>(16,121,336)</u>	<u>1488129</u>
Cash Generated from Operations	(12,252,580)	(112,175)
Taxes Paid	<u>0</u>	<u>0</u>
Cash Flow before Extraordinary Items	(12,252,580)	(112,175)
Prior Period Income(Including Capital Receipt for Rs.10000000)	100,995,764	0
Extraordinary Items	<u>(396,096)</u>	<u>(50,348)</u>
Net Cash Flow from Operating Activities (a)	<u>88,347,088</u>	<u>(162,522)</u>
<b>Cash Flow from Investing Activities</b>		
(Increase) / Decrease in Investment	0	0
Sale/Purchase of Fixed Assets (Net)	<u>(6,498,854)</u>	<u>0</u>
Net Cash Flow from Investing Activities (b)	<u>(6,498,854)</u>	<u>0</u>
<b>Cash Flow from Finance Activities</b>		
Increase / (Decrease) in Unsecured Loans	(76,205,716)	12654332
Interest and Finance Charges	<u>(5,946,229)</u>	<u>(12,067,625)</u>
Net Cash Flow from Financing Activities (c)	<u>(82,151,945)</u>	<u>586,707</u>
Net Cash & Cash Equivalents (a + b + c)	(303,711)	424,184
Opening Cash Balance	<u>499,370</u>	<u>75,185</u>
Closing Cash Balance	<u>195,660</u>	<u>499,370</u>

Notes :- a) Previous years figures are regrouped, re-classified and rearranged wherever necessary to make them comparable with the current years figures.

### For And On Behalf of The Board

Dhirajjai B.Jangla	Chairman
Kiran D.Jangla	Managing Director
Hiten D. Jangla	Jt. Managing Director

Mumbai

Dated : 7th September, 2013

### AUDITORS REPORT

We have examined the above Cash Flow Statement of Grand Foundry Ltd. derived from Audited Financial Statements and the Books and records maintained by the Company for the year ended on 31st March 2013 and found the same in agreement therewith.

For Thacker Butala Desai  
Chartered Accountants  
FRN : 110864 W

Mumbai

Dated : 7th September, 2013

MIHIR N. MAJMUDAR, Partner  
Membership No. 032724

# Grand Foundry Ltd.

PROXY  
**GRAND FOUNDRY LIMITED**

Registered Office : 327, Arun Chambers, 3rd Floor, Tardeo, Mumbai - 400 034.

Membership Folio No : \_\_\_\_\_ No. of shares held : \_\_\_\_\_

I/We \_\_\_\_\_  
of \_\_\_\_\_ being  
a member/members of Grand Foundry Limited, hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_  
or failing him/her \_\_\_\_\_ of \_\_\_\_\_ as  
my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the  
Company to be held on Monday, September 30, 2013 at 11.00 A.M. at, 327, Arun Chambers,  
3<sup>rd</sup> Floor, Tardeo, Mumbai-400034 or at the adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

**Important**

- Revenue Stamp of Rs. 1/- is to be affixed on this form.
- The Form should be signed across the stamp as per the specimen signature Registered with the Company.
- The Companies, 1956 lays down that an instrument appointing a Proxy shall be deposited at the Registered Office of the Company and not less than **FORTY-EIGHT-HOURS** before the time fixed for the Meeting,
- A proxy need not be a Member.

ATTENDANCE SLIP  
**GRAND FOUNDRY LIMITED**

Registered Office : 327, Arun Chambers, 3rd Floor, Tardeo, Mumbai - 400 034.

(Please complete this Attendance Slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the Twenty First Annual General Meeting of the Company being held on Monday, September 30, 2013 at 11.00 A. M. at 327, Arun Chambers, 3<sup>rd</sup> Floor, Tardeo, Mumbai-400034.

Membership Folio No. : \_\_\_\_\_ No. of shares held : \_\_\_\_\_

Name of the Shareholder/Proxy\*: - \_\_\_\_\_  
\*Strike out whichever is not applicable.

Signature of Shareholder/ Proxy\*: - \_\_\_\_\_  
\*Strike out whichever is not applicable.

**BOOK - POST**

*If undelivered, please return to :*

**GRAND FOUNDRY LIMITED**

327. Arun Chambers,  
3rd Floor, Tardeo,  
Mumbai - 400 034.