

# **Gorani Industries Ltd.**



**XIX<sup>th</sup> Annual Report  
2013-14**



**Gorani Industries Ltd.**

**Board of Directors**

Anil Gorani	Chairman
Sanjay Gorani	Managing Director
Nakul Gorani	Director
Shyam Sunder Jhavar	Independent Director
Sandeep Kumar Jain	Independent Director
Rashi Joshi	Independent Woman Director

**Auditor**

M/s. B.D. Sharda & Co.  
Chartered Accountants.

**Bankers**

Central Bank of India  
Siyaganj, Indore

**Registered Office**

Plot No. 32-33, Sector F,  
Sanwer Road, Industrial Area,  
INDORE - 452 015 (M.P.)



## NOTICE

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of the members of the Company Gorani Industries Limited will be held at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore on Monday, the 29th day of September, 2014 at 4.00 P.M. to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements for the year ended 31st March, 2014 including audited Balance Sheet and Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Gorani (Holding DIN 00055540) who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, consent of the members of the company be and is hereby accorded for the re-appointment of retiring auditor M/s. B. D. Sharda & Co., Chartered Accountants, bearing Firm Registration No. 00161C as statutory auditors for a term of three consecutive years, subject to ratification by the shareholders annually, at a remuneration to be decided by the Managing Director in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of

the Companies Act, 2013, if any, and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and as per propose revised clause 49 of the listing agreement, Mr. Shayam Sunder Jhawar (Holding DIN 02424283), who was holding position of the independent director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of Companies Act, 2013 from a member proposing his candidature for the office of the director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for a term of five consecutive years up to 31st March, 2019 and he will not be liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, if any, and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and as per propose revised clause 49 of the listing agreement, Mr. Sandeep Kumar Jain (Holding DIN 03534578), who was holding position of the independent director whose office is liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of Companies Act, 2013 from a member proposing his candidature for the office of the director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6)

of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for a term of five consecutive years up to 31st March, 2019 and he will not be liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Rashi Joshi (Holding DIN- 06920858), who was appointed as an Additional Director of the company and holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing her as a candidate for the office of director in terms of provisions of Section 160 of the Companies Act, 2013, and who is eligible for appointment as an Independent Woman Director, be and is hereby appointed as an Independent Woman Director of the Company to hold office for a term upto five consecutive years commencing from 31st July, 2014 to 30th July, 2019, and she will not liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification the following resolution as an **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and the provisions contained in the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the members of the company be and is hereby accorded to mortgage or charge all or any part

of immovable or movable properties of the Company, wheresoever’s situated, both present and future and to create mortgage and/or charge in all or any immovable properties of the Company, to or in favour of banks, financial institutions any other lenders to secure the amount borrowed/to be borrowed by the Company from time to time for the due payment of the principal monies together with the interest payable by the Company in respect of such borrowings and on such terms and conditions as may be decided by the Board and to do all such acts, deeds, matters and things as may be deemed necessary or expedient in their discretion to give effect to this resolution.

**RESOLVED FURTHER THAT** the securities created or to be created by the Company as aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the Board of Directors of the Company and the concerned parties.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized create or revise / renew the securities / or release the securities and to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

8. To consider and if thought fit, to pass with or without modification the following resolution as an **Special Resolution:**

“**RESOLVED THAT** subject to other requisite approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, if any, consent of the members of the Company be and is hereby accorded under the provisions of section 180 (1) (c) and section 180 (2) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to borrow money from time to time from any one or more of the company’s



bankers and/or from any one or more other persons, firms, bodies corporate and/or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether secured or unsecured by mortgage, charge, hypothecation or lien or pledge of the company's assets or properties whether movable or stock in trade (including raw materials, stores, spare parts and components in stock or in transit) and work in progress in all or any of the undertakings of the company, notwithstanding that moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary Loans obtained from the company's bankers in the ordinary course of business) shall not be in excess of Rs. 10.00 crore (Rupees Ten Crore Only) over and above the aggregate of the paid up share capital of the company and its Free reserves, that is to say, reserves not so set apart for any specific purpose.

**RESOLVED FURTHER THAT** Board of Directors/ Committee of Directors be and are hereby authorised to exercise all or any of the powers, authorities and discretion vested in the Board in terms of this resolution as may be permitted in the law."

By Order of the Board  
**for Gorani Industries Limited**

Date: 31/07/2014

Place: Indore

**Sanjay Gorani**  
(Holding DIN 00055531)  
(Managing Director)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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.

Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

2. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report
4. Members/Proxies should bring attendance slips sent herewith duly filled in, for attending the Meeting.



5. Relevant documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and other holidays between 2.00 P.M. to 4.00 P.M. up to the date of the Annual General Meeting.
  6. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, the 24th September, 2014 to Monday, the 29th September, 2014 (Both days inclusive).
  7. Members are requested to
    - (i) Expeditiously intimate change of address, if any, to the Company/Registrar and Share Transfer Agents quoting reference to their Registered Folio Number.
    - (ii) Write to the Company for any information about accounts at least 10 days in advance of the Annual General Meeting.
  8. The Members are requested to dematerialize their shareholdings with their Depository Participants as the Company's Shares are traded compulsorily under demat mode in the Stock Exchanges.
  9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. Nomination forms can be obtained from the Company's Registered Office.
  10. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/Share Transfer Agents along with the relevant Share Certificates for consolidation of such Folios in one Folio.
  11. 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 of Annual Report to the Meeting.
  12. 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 their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
  13. Entrance Pass and Proxy Form is annexed. Members are requested to affix their signature at the space provided in the entrance pass and hand over the same at the entrance to the place of meeting.
  14. **Members who have not registered their email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.**
  15. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and the revised Clause 35B of the Listing Agreement, Company is pleased to provide e-voting facility to all its members to enable them to cast their vote at the Annual General Meeting by electronically means.
  16. A member may exercise his vote electronically through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.
- Instructions for Members for voting electronically are as under:-**
- a) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - b) Click on "Shareholder" to cast your votes.
  - c) Select the Electronic Voting Sequence Number (EVSN) i.e. **140818032** along with Company Name i.e. **"GORANI INDUSTRIES LIMITED"** from the drop down menu and click on **"SUBMIT"**.
  - d) Now enter your User ID as follows:
    - For CDSL: 16 digits beneficiary ID,
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
    - Members holding shares in physical form should enter Folio Number registered with the Company
  - e) Enter the Image Verification as displayed and Click on Login.



- f) 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 e-voting of any company, then your existing password is to be used.
- g) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.</li><li>In case the Folio No. is less than 8 digits enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. is 1 then enter RA00000001 in the PAN field.</li></ul>
<b>Date of Birth or Date of Incorporation or Bank Account</b>	<p>Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in DD/MM/YYYY format or enter Folio No. OR Enter the Bank Account Number as recorded in your demat account or in the Company's records for the said demat account or Folio No. Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or the Company, please enter the number of shares held in the Bank Account Number field.</p>

- h) After entering these details appropriately, click on **"SUBMIT"** tab.
- i) For Members holding shares in physical form, the login details can be used only for e-voting on the resolutions contained in this Notice. On logging in, Members holding shares in physical form will be directed to the Company selection screen.
- j) 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 electronic holders for voting on resolutions of other companies, as well, 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.
- k) Click on the EVSN of the company i.e. **140818032** to vote.
- l) 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.
- m) Click on the Resolution File Link if you wish to view the Notice.
- n) 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.
- o) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote. You can also take a print of the voting done by you.
- p) If an electronic account holder has forgotten the set password, then he has a 'Forgot password' option to reset the password.
- q) Note for Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) are required to log



- on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to - **helpdesk.evoting@cdslindia.com**.
  - After receiving the login details, they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- r) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- IV. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
  - V. The results declared along with the Scrutinizer's Report shall be placed on the Company's website **goraniindustries.com** and on the website of CDSL within two days of the passing of the resolutions at the Nineteenth AGM of the Company on 29th September, 2014 and communicated to BSE Limited where the shares of the Company are listed.
  - VI. The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
  - VII. You can also update your mobile number and Email Id in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting in future. The same may be used in case the Member forgets the password and the same need to be reset.

## Other Instructions:

- I. The e-Voting period commences on 22nd September, 2014 (9.00 A.M.) and ends on 23rd September, 2014 (6.00p.m.). During this period shareholders of the company, holding shares either in physical form or in electronic form, as on 22nd August, 2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently
- II. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 22nd August, 2014.
- III. CS Manish Jain, Practicing Company Secretary (Membership No: FCS 4651 CP No: 3049) (Address: 219, President Tower, 6/2 South Tukoganj, Madhumilan Square, Indore (M.P.)-452001) has been appointed as the scrutinizer to conduct the e-voting process.

## Contact Details :

Company	Gorani Industries Limited Registered Office: Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore-452015 (M.P.) <b>Tel No:</b> 0731-2723201-3 <b>Email id:</b> <a href="mailto:gorani.industries@yahoo.com">gorani.industries@yahoo.com</a> <b>CIN:</b> L28121MP1995PLC009170
Registrar and Share Transfer Agent	M/s Link Intime India P. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400078 <b>Tel:</b> 022-25963838, <b>Fax:</b> 022-25946969 <b>Email Id:</b> <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a>
E-voting Agency	Central Depository Services (India) Ltd <b>Email id:</b> <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
Scrutinizer	CS Manish Jain Practicing Company Secretary <b>Email Id:</b> <a href="mailto:manishjainandco@yahoo.com">manishjainandco@yahoo.com</a>



**Statement to be annexed with the notice under  
Section 102 of the Companies Act, 2013****Item No. 4:**

Mr. Shayam Sunder Jhawar is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in September, 2002. Mr. Shayam Sunder Jhawar is the Chairman of the Audit Committee and Remuneration Committee and member of Shareholder/ Investor Grievance Committee of the Board of Directors of the Company.

Mr. Shayam Sunder Jhawar is a well known and reputed personality in the marketing of Iron & steel. He has earned a good name in the brokerage business related to steel market. He is Postgraduate in Commerce and having rich experience in the field of steel, sheet metal etc. of over 25 years.

Mr. Shayam Sunder Jhawar is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Shayam Sunder Jhawar being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Shayam Sunder Jhawar as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Shayam Sunder Jhawar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Shayam Sunder Jhawar as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Shayam Sunder Jhawar as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Shayam Sunder Jhawar as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Shayam Sunder Jhawar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

This Statement annexed with the notice may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No.5**

Mr. Sandeep Kumar Jain is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in June, 2011. Mr. Sandeep Kumar Jain is the Chairman of Shareholder/ Investor Grievance Committee and a member of the Audit Committee and a member of the Remuneration Committee of the Board of Directors of the Company.

Mr. Sandeep Kumar Jain is a Practicing Chartered Accountant in the field of Finance, Audit, Taxation also having knowledge and professional experience of engineering and steel industries. Also Co-opted member on the zonal advisory board of the LIC of India, Bhopal.

Mr. Sandeep Kumar Jain is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Sandeep Kumar Jain being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Sandeep Kumar Jain as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Sandeep Kumar Jain fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Sandeep Kumar Jain as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.



The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sandeep Kumar Jain as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sandeep Kumar Jain as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Sandeep Kumar Jain, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

This Statement annexed with the notice may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No.6**

As per the provisions of Section 149(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, and also per propose revised Clause 49 of the Listing Agreement, the Company should have at least one Women director.

Keeping in view the above legal requirements Ms. Rashi Joshi (Holding DIN- 06920858), who was appointed as an Additional Director designated as Independent Woman Director of the company on 31st July, 2014 and holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing her as a candidate for the office of director in terms of provisions of Section 160 of the Companies Act, 2013 appointed as an independent Woman Director of the Company to hold office for a term upto five consecutive years commencing from 31st July, 2014 to 30th July, 2019, and is not liable to retire by rotation. Ms. Rashi Joshi (Holding DIN- 06920858) Practicing Company Secretary in the field of Company Law having experience of two years and graduate in Commerce.

In the opinion of the Board, Ms. Rashi Joshi (Holding DIN- 06920858) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Woman Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Rashi Joshi (Holding DIN- 06920858) as an Independent Woman Director setting out the terms and conditions would be available for inspection without any fee

by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Rashi Joshi (Holding DIN- 06920858) as an Independent Woman Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Rashi Joshi (Holding DIN- 06920858) as an Independent Woman Director, for the approval by the shareholders of the Company.

Except Ms. Rashi Joshi (Holding DIN- 06920858), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

This Statement annexed with the notice may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No.7**

Section 180(1) (a) of the Companies Act, 2013 provides that the Board of directors of company shall not, without the approval of shareholders in general meeting by way of special resolution mortgage or charge all or any part of immovable or movable properties of the Company.

As the assistance from the institutions/banks provided/agreed to be provided to the Company have to be secured by the mortgage and charge of the assets of the Company, both present and future and the whole of the undertaking of the Company and the aforesaid institutions would like to retain a power to take over the management of the business and concern of the Company in certain events, it is necessary for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

Hence, the members are required to authorize to the Board to create/renew charges on the movable and immovable assets and properties of the Company in favor of the lenders in accordance with the terms and conditions of the loans and security documents as stated in the Resolution set out at item No. 07.

The Board of Directors of the Company recommends the Resolution set out at Item No. 7 for passing by members as special resolution.



None of the directors, key managerial person of the Company and their relatives except to the extent of their respective share holdings in the capital of the Companies is in any way concerned or interested financially or otherwise in the resolution.

## Item No. 8

As per the provisions of section 180 (1) (c) and section 180 (2) of the Companies Act, 2013 and the rules made thereunder, the Board of Directors of the Company cannot borrow money together with moneys already borrowed by the Company (apart from temporary Loans obtained from the company's bankers in the ordinary course of business) in excess of the aggregate of the paid up share capital of the company and its Free reserves, that is to say, reserves not so set apart for any specific purpose except with the consent of shareholders accorded by way of special resolution.

It is therefore necessary that members pass a special resolution under section 180 (1) (c) and section 180 (2) of the Companies Act, 2013 as set out in item no. 8 of the notice to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the company. Approval of members is therefore sought to borrow money in excess of Rs. 10.00 crore (Rupees Ten Crore Only) over and above the aggregate of the paid up share capital of the company and its Free reserves, that is to say, reserves not so set apart for any specific purpose and to authorize the Board of Directors accordingly.

The Board of Directors of the Company recommends the Resolution set out at Item No. 8 for passing by members as special resolution.

None of the directors, key managerial person of the Company and their relatives except to the extent of their respective share holdings in the capital of the Company is in any way concerned or interested financially or otherwise in the resolution.

By Order of the Board  
for Gorani Industries Limited

Date: 31/07/2014  
Place: Indore

**Sanjay Gorani**  
(Holding DIN 00055531)  
(Managing Director)

## DIRECTORS REPORT

To,  
The Members,  
**Gorani Industries Limited**

Your Directors have great pleasure in presenting herewith the Nineteenth Annual Report of your Company together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### 1. FINANCIAL RESULTS: (Amount in Lacs)

Particulars	2013-14		2012-13	
<b>Total Revenue</b>		<b>425.36</b>		<b>291.61</b>
Profit before Finance Cost, Depreciation & Amortization Expense	-	27.57	-	23.26
Less:				
Finance Costs	0.65		23.16	
Depreciation & Amortization expense	23.82	23.91	0.92	24.83
<b>Net Profit/(Loss) before extra ordinary &amp; exceptional items &amp; tax</b>	-	<b>3.75</b>	-	<b>(1.57)</b>
Tax Expense				
Current Tax	-		-	
Deferred Tax	-	-	-	-
<b>Net Profit/ (Loss) after tax</b>		<b>3.75</b>		<b>(1.57)</b>

### 2. PERFORMANCE:

During the financial year under review, your Company has achieved a Gross Turnover of Rs. 425.36 Lakhs as against that of Rs. 291.61 Lakhs during the previous year. The company has earned net profit of Rs. 3.75 Lakhs during the financial year against loss of 1.57 lacs in the previous year.

### 3. DIVIDEND:

Looking to the financial position and to conserve the resources of the company directors is not recommending any dividend for the year.

### 4. DIRECTORS:

Mr. Anil Gorani (Holding DIN 00055540) is liable to retire by rotation and being eligible offers himself for reappointment. Mr. Anil Gorani (Holding DIN 00055540) is a graduate in B.E. (electronics) and also has rich experience in the manufacturing, operation and working of the company and is being associated



with the Company since its inception. Being technically well qualified, he has significantly contributed to its all round growth particularly from technical production point of view. He has specifically been instrumental in designing the new product layout and its approval from various standard approval agencies. Presently he is also involved in materialising the benefits to be accrued to the company through Carbon Credit Mechanism.

Mr. Shyam Sunder Jhawar (Holding DIN 02424283) and Mr. Sandeep Kumar Jain (Holding DIN 03534578) appointed as Independent Director of the Company pursuant to the provisions of Companies Act, 2013 and rules made thereunder and also as per proposed revised Clause 49 of the listing agreement and in respect of whom the Company has received a notice in writing from a member proposing their candidature for the office of Director for five consecutive years for a term up to 31st March, 2019.

During the year Mr. Dinesh Kumar Maheshwari (Holding DIN 02424245), Independent Non executive director of the company resigned from the directorship on 31<sup>st</sup> July, 2014.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and as per proposed revised Clause 49 of the listing agreement Ms. Rashi Joshi (Holding DIN- 06920858) was appointed as an Additional Director designated as an Independent Woman Director w.e.f. July 31, 2014 and she shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing her for appointment as an Independent Woman Director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under proposed Clause 49 of the Listing Agreement with the Stock Exchange.

**5. COMPANY SECRETARY:**

Mrs. Arpita Jain bearing Membership No. 24898 appointed as Whole-time Secretary of the Company (Key Managerial Personnel) pursuant to the provisions of section 203 of the Companies Act, 2013 and rules made thereunder and also as per the Listing Agreement in the Board Meeting held on 31<sup>st</sup> July, 2014.

**6. AUDITORS:**

M/s. B.D. Sharda & Co., Chartered Accountants, bearing Firm Registration No. 00161C, statutory auditors holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. They have furnished consent letter and a certificate to the effect that their appointment, if made, would be within the limits prescribed under the Section 139 of the Companies Act, 2013 and rules made thereunder.

**7. INTERNAL AUDITOR**

M/s Navin Sapna & Co., Chartered Accountants (bearing firm registration no. 010507C) has been appointed as internal auditor of the company for the financial year 2014-15 in the Board Meeting held on 30<sup>th</sup> May, 2014.

**8. SECRETARIAL AUDITOR:**

M/s. Manish Jain & Co., Practicing Company Secretaries has been appointed for issuance of Secretarial Audit Report for the financial year 2014-15 in the Board Meeting held on 30<sup>th</sup> May, 2014.

**9. FIXED DEPOSIT:**

The Company has not accepted any Deposits under the provisions of section 58A of The Companies Act, 1956 and the Rules made there under.

**10. STATEMENT UNDER SECTION 217 OF THE COMPANIES ACT 1956:**

No employees in the Company have been paid remuneration in excess of the limits prescribed under section 217(2A) of The Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

**11. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The information relating to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, is given in Annexure 1 forming part of this report.

**12. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (2AA) of section 217 of the Companies Act, 1956, the Board of Directors hereby state and confirm that:

- a. In preparation of annual accounts, the applicable accounting standards have been followed along



with proper explanation relating to purchase and sales.

- 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 as at 31<sup>st</sup> March, 2014 and of profit and loss account of the profit for the year ended 31<sup>st</sup> March, 2014.
- 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 deleting fraud and other irregularities.
- d. The Directors have prepared the annual accounts on a going concern basis.
- e. Interest Free Unsecured Loan is taken from the directors and promoters in pursuance of conditions stipulated in the sanctioned letter of the bankers.
- f. In cases of few delays in payments of statutory dues like PF, ESIC, TDS etc. applicable interest has also been paid which accrued to be nominal.

## 13. CORPORATE GOVERNANCE:

A Separate report on Corporate Governance along with Auditors' Certificate on its compliance is attached to this report.

## 14. ACKNOWLEDGEMENT:

The Board wishes to place on record their gratitude for the co-operation being received from the Banks, Share Transfer Agent, Stock Exchanges, and Share Holders, customers, staff and workers of the company and thank them for their continued support.

By Order of the Board

**Anil Gorani**  
(Holding DIN 00055540)  
Chairman

Place: Indore

Date: 31<sup>st</sup> July, 2014

### Regd. Office:

Plot No. 32-33, Sector F,  
Sanwer Road, Industrial Area,  
Indore-452015 (M.P.)

## ANNEXURE 1 TO THE DIRECTORS REPORT

Information as per section 217(1)(e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors Report for the Year ended 31<sup>st</sup> March, 2014.

### 1. CONSERVATION OF ENERGY

#### Energy conservation measures taken:

Our focus on the impact of our operations on climate change leads to our energy conservation strategy where we can best evaluate our performance through measurement of emission to the atmosphere.

- a. Additional power capacitors and power factor control equipments are installed to limit down demand.
- b. Changeover switch system has been employed to avoid electricity wastage.

Additional investments and proposal, if any, being implemented for reduction of consumption of energy:

Due to effective steps already taken to conserve energy, there is no immediate proposal to invest further.

#### Impact of above measures:

Efficient utilization of power and consumption of electricity per unit of production has decreased.

Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the schedule thereto.

Particulars	Unit	2013-14	2012-13
<b>a. Electricity</b>			
Purchased unit	KWH	233180	185550
Total amount	Rs.	1940276	1605765
Rate per unit	Rs./KWH	8.39	8.65
<b>b. Own generation</b>			
Units	KWH	1249	1130
Units/ Ltr. of Diesel	KWH	2.06	1.00
Cost per Unit	Rs./KWH	26.43	49.39
Electricity consumed	KWH	0.99	0.99



## 2. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R&D)

The company has technical agreements with Indian Institute of Petroleum and Indian Oil Corporation. The Research and Development done by these institutions in the field of conservation of Kerosene are incorporated by the company in its in-house laboratory.

### Expenditure on R&D:

As the company has technical agreements with IOC & IIP, there is no need to make any additional expenditure on research and development of Kerosene wick stove.

Technology obtained from IOC & IIP has been successfully adopted and implemented.

So far as the current products namely LPG Stoves, Kitchen Chimney & Gas Geysers are concerned the minor technology specifications and beautifying modification have been obtained through the continuous manufacturing experience during last 10 years under the control of technical team headed by whole time technical director of the company. The ultimate object has been to make the above products more user (housewives) friendly from safety and handling point of view. Therefore relevant expenses have been absorbed by the yearly Income & Expenditure accounts.

## 3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	2013-14	2012-13
<b>a. Earnings</b>		
FOB value of exports	NIL	NIL
Freight Charges		
<b>b. Outgo</b>	1,54,42,063	73,48,288
Import Expenses		

By Order of the Board

**Anil Gorani**  
(Holding DIN 00055540)  
Chairman

Place: Indore

Date: 31<sup>st</sup> July, 2014

### Regd. Office:

Plot No. 32-33, Sector F,  
Sanwer Road, Industrial Area,  
Indore-452015 (M.P.)

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments

The global economy began its modest recovery in FY 2013-14 with improved demand from Organization for Economic Co-operation and Development (OECD) economies in the second half of 2013. Emerging markets like India faced multiple challenges: capital outflows, intense exchange rate pressures and volatile current account movement. A combination of persistent inflation, fiscal imbalances, external sector vulnerabilities and low investments resulted in sluggish domestic demand growth. Fiscal and monetary initiatives taken by the Indian government and the Reserve Bank of India (RBI) helped stabilize financial market conditions, but the domestic macro-economic environment still remains challenging. During the year inflationary trends continue to inhibit consumption. Over the last few years, organized retail or large-scale retail has been witnessing tremendous impetus in India. The growth story is expected to continue in the future. There is a steady infusion of different cultures in daily life. All these have led to the emergence of a series of new trends in kitchenware that are exclusively based on class and functionality.

In rural markets, durables like home appliances are likely to witness growing demand in the coming years. The rural market has recently experienced around 30 per cent growth rate in demand for electronics and home appliances.

The company is in the business of production and sales of Kitchen appliances and Kitchenware manufacturing and retailing is one such sector within the overall household segment, which has been in the limelight recently. Recent monetary easing along with rise in demand is likely to provide some support to consumption of company's product in the financial year 2014-15. All products of the Company are ISI certified and are sophisticated to bring the age old domestic appliances to a new height. The legendary products of the Company like **NUTAN**, **ONLINE** and **BLOWHOT** reflect the sophistication of the products and the reliability as well as exquisite look.

The discussion on the financial performance of the Company is covered in the Director's Report.

### Opportunities and Threats

The company is in the process of implementing strategies to capitalize available opportunities. The long term growth of home appliances is secure given India's low ownership of appliances even in urban markets. Kitchen appliances are manufactured where intelligence embraces style, where brains collide with beauty, where quality and safety is controlled with utmost



simplicity, where the ultimate in practicality is encapsulated by breathtaking designs. India's consumer pyramid offers opportunities to ladder products across capacities, formats and prices. Given the dependence of a large fraction of the population on the rural economy and the fact that a number of product markets are under-penetrated, it provides opportunities for sustained growth for the company.

The threat in the domestic market continues from the unorganized players and regional brands that compete with the unviable low pricing strategies. The free distribution of certain products by state government is expected to create a decent replacement market in the years to come. The Company has been adopting the strategy of continuously offering innovative, newer and improved products as well as marketing strategies to stay above competition whether organized or unorganized.

### Segment wise Performance

The company has only one segment of Home Appliances and the products considered as part of the segment are Kerosene wick stove, LPG stoves, Gas Hobs, Gas geysers, water Heaters and Kitchen Chimneys.

The company is hopeful that through a combination of powerful marketing strategies, innovative new products and market development and expansion activities, it would increase its share in the domestic market of most of its products.

### Outlook

Both global and Indian economies are on the path of recovery. The rate of growth in the domestic economy has been continuously falling over the last three years. However,

persistent high level of inflation in the long run can impact the disposable income and hence the purchasing power. However, the overall market sentiment is positive and your Company expects to maintain its growth rates aided by the new range of products, barring unforeseen circumstances.

### Risk and Concerns

The overall inflationary trend in general and the food inflation and rise in commodity prices have been major concerns for most part of last fiscal and remain a concern as we start the new financial year. The significant and steady increase of key metal prices is a matter of concern which may have some impact on margins of your Company if it is not in a position to pass on the increase in input costs to the customers. However, with improved efficiencies and economies of scale your Company is hopeful of maintaining a healthy margin and return on capital employed. Efficient working capital/ asset management, cash generation

and robust stewardship will continue to be our focus areas as in the past.

Risks identified through our risk management processes are prioritized and, depending on the probability and severity of the risk. We have general response strategies for managing risks, which categorize risks according to whether the company will avoid, transfer, reduce or accept the risk.

### Internal Control

The company has adequate system of management-supervised internal control, which is aimed at achieving efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws. These ensure that all corporate policies are strictly adhered to an absolute transparency is followed in accounting and all its business dealings.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The company ensures adherence to all internal control policies and procedures. A qualified and independent audit committee of the Board, comprising the independent directors reviews the adequacy of internal control.

### Human Resources/ Industrial Relations Front

The Company fully values the Human Capital and continued to have the cordial and harmonious relations with its employees. The company continues to focus on training employees on a continuous basis. The Company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent. The company maintains a strong business linkage to all human resource and initiatives.

### Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, predictions & contains forward looking statements within the meaning of applicable rules and regulations. It contains forward looking statements which are made in good faith based on the information available at the time of its approval. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a number of risks and uncertainties that are inherent in any forward looking statement which could cause actual results to differ materially from those currently anticipated.



## CORPORATE GOVERNANCE REPORT

For the Year 2013-2014

### 1. Company's philosophy on Code of Governance

Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all its stakeholders. The ultimate objective of the Corporate Governance at Gorani Industries Limited is to enhance Shareholders' value in the long term. A good governance process aims to achieve this by providing long-term visibility of its businesses, ensuring effective relationship with stakeholders, establishing systems that help the Board in understanding risk appetite and monitoring risk at every stage of the corporate evolution process.

### Board Composition and particulars of Directors

#### Board Composition

The Company's policy is to maintain optimum combination of Executive and Non- Executive Directors. The Board consists of 6 Directors, out of which three are independent Directors. The Board believes that its current composition is appropriate. Composition of the Board and category of Directors are as follows:

Name of Director	Category	No. of Directorships held in other public companies	No. of Memberships of Board Committees held in other Public Companies	No. of Board Committees of which Director is a Chairperson
Shri Sanjay Gorani	Promoter and Exe. Director	—	—	—
Shri Anil Gorani	Promoter and Exe. Director	—	—	—
Shri Nakul Gorani	Promoter and Non-Exe. Director	—	—	—
Shri Shyam Sunder Jhawar	Independent and Non-Exe. Director	—	—	—
Shri Sandeep Kumar Jain	Independent and Non-Exe. Director	—	—	—
*Shri Dinesh Kumar and Non-Maheshwari	Independent and Non-Exe. Director	—	—	—
*Ms. Rashi Joshi	Independent and Non-Exe. Director	—	—	—

\* Ms. Rashi Joshi has been appointed on 31<sup>st</sup> July, 2014 and Shri Dinesh Kumar Maheshwari has been resigned on 31<sup>st</sup> July, 2014.

### DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT

➤ Mr. Anil Gorani (Holding DIN 00055540) is liable to retire by rotation and being eligible offers himself for reappointment. Mr. Anil Gorani (Holding DIN 00055540) is a graduate in B.E. (electronics) and also has rich experience in the manufacturing, operation and working of the company and is being associated with the Company since its inception. Being technically well qualified, he has significantly contributed to its all round growth particularly from technical production point of view. He has specifically been instrumental in designing the new product layout and its approval from various standard approval agencies. Presently he is also involved in materialising the benefits to be accrued to the company through Carbon Credit Mechanism.

➤ Mr. Shyam Sunder Jhawar (Holding DIN 02424283) appointed as Independent Director of the Company pursuant to the provisions of Companies Act, 2013 and rules made thereunder and also as per propose revised Clause 49 of the listing agreement and in respect of whom the Company has received a notice in writing from a member proposing their candidature for the office of Director for five consecutive years for a term up to 31st March, 2019.

He is a well known and reputed personality in the marketing of Iron & steel. He has earned a good name in the brokerage business related to steel market. He is Postgraduate in Commerce and having rich experience in the field of steel, sheet metal etc. of over 25 years.

➤ Mr. Sandeep Kumar Jain (Holding DIN 03534578) appointed as Independent Director of the Company pursuant to the provisions of Companies Act, 2013 and rules made thereunder and also as per propose revised Clause 49 of the listing agreement and in respect of whom the Company has received a notice in writing from a member proposing their candidature for the office of Director for five consecutive years for a term up to 31st March, 2019.

He is a Practicing Chartered Accountant in the field of Finance, Audit, Taxation also having knowledge and professional experience of engineering and steel industries. Also Co-opted member on the zonal advisory board of the LIC of India, Bhopal.

➤ Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and as per propose revised Clause 49 of the listing agreement, Ms. Rashi Joshi (Holding DIN- 06920858) was appointed as an Additional Director designated as an Independent





Woman Director w.e.f. July 31, 2014 and she shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing her for appointment as an Independent Woman Director.

She is a Practicing Company Secretary in the field of Company Law having experience of two years and graduate in Commerce.

- During the year Mr. Dinesh Kumar Maheshwari (Holding DIN 02424245), Independent Non executive director of the company resigned from the directorship on 31st July, 2014.

## 2. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETINGS AND LAST ANNUAL GENERAL MEETING:

During the year 2013-2014, 5 (Five) Board Meetings were held on 30th May, 2013, 24th June, 2013, 31st July, 2013, 31st October, 2013 and 31st January, 2014.

Name of Director	No. of Board Meeting held	No. of Board Meeting attended	Attendance at last Annual General Meeting
Shri Sanjay Gorani	5	5	Present
Shri Anil Gorani	5	5	Present
Shri Nakul Gorani	5	3	Present
Shri Shayam Sunder Jhawar	5	3	Present
Shri Dinesh Kumar Maheshwari	5	3	Present
Shri Sandeep Kumar Jain	5	3	Present

## CODE OF CONDUCT

The company has laid down the Code of Conduct for Directors and senior personnel, annual affirmation from each of the Directors with regard to the adherence to the said Code of Conduct drawn are being received and placed before the Board.

## 3. AUDIT COMMITTEE

The Audit Committee consists of three Independent Non-executive Directors. The Members of the Committee are well versed in finance matters, accounts, company law and general business practices.

The composition of the Audit Committee is as under:

- A) Shri Shayam Sunder Jhawar - Chairman
- B) Shri Dinesh Kumar Maheshwari - Member
- C) Shri Sandeep Kumar Jain - Member

The terms of reference of the Audit Committee include:

- a) To review financial statements and pre-publication announcements before submission to the Board.
- b) To ensure compliance of internal control systems and action taken on internal audit reports.
- c) To appraise the Board on the impact of accounting policies, accounting standards and legislation.
- d) To hold periodical discussions with statutory auditors on the scope and content of the audit.
- e) To review the Company's financial and risk management policies.

During the financial year 2013-2014, 4 (Four) Audit Committee Meetings were held on 29th May, 2013, 30th July, 2013, 30th October, 2013 and 30th January, 2014.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Shayam Sunder Jhawar	4	4
Shri Dinesh Kumar Maheshwari	4	2
Shri Sandeep Kumar Jain	4	3

## 4. REMUNERATION COMMITTEE

The Remuneration Committee consists of three independent, Non-executive Directors viz Shri Dinesh Kumar Maheshwari (Chairman), Shri Shayam Sunder Jhawar, and Shri Sandeep Kumar Jain.

The Remuneration Committee has been constituted to recommend/ review the remuneration package of the Managing/ whole time Directors, based on performance and defined criteria.

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance



with the existing Industry practice.

During the financial year 2013-2014 meeting of the remuneration committee was held on 29<sup>th</sup> March, 2014, which is attended by all the members of the committee. During the year Rs. 9000.00 was paid as sitting fee to Directors.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Dinesh Kumar Maheshwari	1	1
Shri Sandeep Kumar Jain	1	1
Shri Shyam Sunder Jhawar	1	1

## 5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Committee consists of three Independent, Non-executive Directors viz. Shri Sandeep Kumar Jain (Chairman), Shri Shyam Sunder Jhawar and Shri Dinesh Kumar Maheshwari.

The Company has acted upon all valid share transfers received during the year 2013-2014. The Company has not received any complaints during the year.

During the financial year 2013-2014, 4 (Four) Investors' Grievance Committee Meetings were held on 5<sup>th</sup> April, 2013, 11<sup>th</sup> July, 2013, 9<sup>th</sup> October, 2013 and 20<sup>th</sup> January, 2014.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Sandeep Kumar Jain	4	4
Shri Shyam Sunder Jhawar	4	2
Shri Dinesh Kumar Maheshwari	4	2

## 6. GENERAL BODY MEETING

Location and time where last three Annual General Meetings were held are given below:

Financial Year	Date	Location of the Meeting	Time
2012-2013	30.08.2013	At the Registered office of the Company	11.00 A.M.
2011-2012	30.08.2012	At the Registered office of the Company	11.00 A.M.
2010-2011	30.09.2011	At the Registered office of the Company	11.00 A.M.

## 7. DISCLOSURES

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/stricture was imposed on the Company during the last three years.

## 8. MEANS OF COMMUNICATION

The quarterly, half yearly and full year results were sent to exchanges and official releases were made through press every time. These are not sent individually to the shareholders. There were no presentations made to the institutional investors or analysts.

The Management Discussion and Analysis Report forms part of the Directors Report.

## 9. GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting:

DATE : 29<sup>th</sup> September, 2014  
TIME : 4.00 P.M.  
VENUE : At the registered office of the Company at Plot No.32-33, Sector 'F', Industrial Area, Sanwer Road, Indore 452015 (M.P.).

### Financial Calendar

The Company follows April-March as its financial year. The result for every quarter beginning from April is declared in the month following the quarter.



## Dates of Book Closure:

Commencement- 24<sup>th</sup> September, 2014.

Ending- 29<sup>th</sup> September, 2014

(Both days inclusive)

## Listing on Stock Exchange:

1. The Stock Exchange, Mumbai. (Scrip Code-531608)

## Registrar and Share Transfer Agents:

**Link Intime India Private Limited,**  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai 400078

## Share Transfer System

Gorani Industries has appointed **Link Intime India Private Limited** as its Registrar and Share Transfer Agent. All share transfers and related operations are conducted by **Link Intime India Private Limited**. The Company has constituted an Investors' Grievance Committee for redressing shareholders' and investors complaints.

## Market price data

The monthly high and low Share prices of the Company traded at the Stock Exchange, Mumbai for the Financial Year 2013-14 are as under:

Period	High (Rs.)	Low (Rs.)
April, 2013	-	-
May, 2013	-	-
June, 2013	-	-
July, 2013	-	-
August, 2013	-	-
September, 2013	-	-
October, 2013	-	-
November, 2013	28.80	27.40
December, 2013	26.10	26.10
January, 2014	-	-
February, 2014	24.80	23.60
March, 2014	-	-

## Dematerialization of Shares

As on 31<sup>st</sup> March 2014, 2964500 shares of the company were held in dematerialized form.

## Distribution of Shareholding and its pattern as on 31st March, 2014

### Distribution of Shareholding:

S. No.	Shareholding of Nominal value of Rupees	No. of Share-holders	Share holding %	Share amount in Rupees	Share holding %
1.	Up to 5000	260	19.4465	1155700.00	2.1252
2.	5001 – 10000	758	56.6941	7223770.00	13.2839
3.	10001 – 20000	121	9.0501	2211000.00	4.0658
4.	20001 – 30000	69	5.1608	1806500.00	3.3220
5.	30001 – 40000	29	2.1690	1089040.00	2.0026
6.	40001 – 50000	58	4.3381	2772990.00	5.0993
7.	50001 – 100000	17	1.2715	1320000.00	2.4274
8.	100000 Above	25	1.8699	36801000.00	67.6738
<b>TOTAL</b>		<b>1337</b>	<b>100.0000</b>	<b>54380000.00</b>	<b>100.0000</b>

### Shareholding Pattern:

S. No.	Category	No. of Shares held	% of Share Holding
A	Promoters & Person acting in Concert	2358400	43.36
B	Banking, Financial Institutions/ Insurance Companies (Central/ State Govt. Institutions Non- Govt. Institutions), Mutual Funds, UTI, Institutional Investors & FIIs	99500	1.83
C	Private Corporate Bodies	855053	15.73
D	Indian Public	2125047	39.08
E	NRIs/ OCBs (Foreign Share Holding)	0	0.00
<b>Total</b>		<b>5438000</b>	<b>100.00</b>

## Address for Correspondence

The Shareholders may address their communications, suggestions, grievances and queries to:

**The Managing Director,**  
Gorani Industries Limited,  
Plot No.32-33, Sector F  
Sanwer Road, Industrial Area  
Indore - 452015 (M.P)



**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**CERTIFICATE**

To,  
The Members,  
**GORANI INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Gorani Industries Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. 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 knowledge and according to the information and explanation given to us, and based on representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee and as produced before us.

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

Place : Indore  
Date : 31<sup>st</sup> July 2014

**For: B.D. Sharda & Co.**  
Chartered Accountant

**B.D. Sharda**  
(Proprietor)



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Gorani Industries Limited**

### **Report on the Financial Statements**

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

### **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 notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in term of general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of 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, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the Profit earned for the year ended on that date;
- (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. The Companies (Auditors Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by Section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the 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, the Statement of Profit and Loss and Cash Flow Statement deal herewith comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in term of general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs).
- e. On the basis of the written representations received from the directors as on March 31, 2014, 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 Section 274(1)(g) of the Act.

For : **B.D. SHARDA & CO.**  
Chartered Accountants  
Firm Reg. No. 00161C

Place: Indore

**(B.D. SHARDA)**

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

Proprietor

Membership No. 070209

**Annexure to the Independent Auditor's Report (Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date:**

- i (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As informed to us, the fixed assets have been physically verified by the management during the year in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (c) During the year, the company has not disposed off substantial part of its fixed assets, which will affect the going concern status of the company.
- ii (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- (b) The procedures of physical verification of

inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

- (c) The company is maintaining quantitative records of raw materials and finished goods. The discrepancies noticed on verification between the physical stocks and the book records were not material as explained to us.
- iii (a) The company had taken interest free unsecured loan from parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved at any time during the year was Rs. 413.13 lacs and the year-end balance of loans taken from such parties is Rs.413.13 lacs. The company has not granted any loan to the companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956.
- (b) In our opinion, being no interest is to be paid and other terms and conditions on which loans have been taken from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, are not, prima facie, prejudicial to the interest of the company.
- (c) There is no stipulation as to the repayment of the principal amount taken by the company.
- (d) There is no overdue amount of more than rupee one lakh on account of loan taken from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- iv In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any major weakness in internal controls.
- v (a) According to the information and explanation given to us, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no

- transactions exceeding the value of rupees five lacs in respect of each party made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956.
- vi The Company has not accepted any deposits from the public within the meaning of Section 58 A and 58 AA of the Companies Act, 1956 and the rules framed there under.
- vii In our opinion and according to the information and explanations given to us, the company has its own internal audit system commensurate with the size and nature of its business.
- viii We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix (a) The company is generally regular in depositing undisputed statutory dues including provident fund, investor education protection fund, employee' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, service tax and cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanation given to us, no undisputed amounts payable in respect provident fund, investor education and protection fund, employee' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, service tax and cess and other undisputed statutory dues were outstanding at the year end for a period of more than six month from the date they become payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty, service tax and cess, which have not been deposited on account of any dispute.
- x In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. Further the company has not incurred cash losses during the financial year covered by our audit and in immediately preceding financial year.
- xi In our opinion, and according to the information and explanation given to us, the company has not defaulted in repayment of any dues to any financial institution or bank during the year.
- xii The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments, Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv According to the information and explanation given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions during the year.
- xvi The Company has not taken any term loan during the year.
- xvii According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii According to the information and explanations given to us, the company has not made any preferential allotment of share to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix The Company has not issued any secured debentures during the year or in earlier year.
- xx The Company has not raised any money by way of public issues during the year.
- xxi During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company, noticed and reported during the year, nor we have been informed of such case by the management.

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH' 2014**

PARTICULARS	Note No.	As at 31/03/2014		As at 31/03/2013	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
1. Shareholders' funds					
(a) Share Capital	2	48,933,000		48,933,000	
(b) Reserves and Surplus	3	(23,895,155)	25,037,845	(24,270,635)	24,662,365
<b>2 Non- current liabilities</b>					
(a) Long-term borrowings	4	41,313,034		37,264,035	
(a) Other Long-term Liabilities	5	10,000	41,323,034	10,000	37,274,035
<b>3 Current Liabilities</b>					
(a) Short term borrowings	6	27,547		-	
(b) Trade payables	7	14,474,793		4,245,262	
(c) Other current liabilities	8	977,118		679,983	
(d) Short term provisions	9	1,534,270	17,013,728	943,957	5,869,202
<b>TOTAL</b>			<b>83,374,607</b>		<b>67,805,602</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets	10				
(i) Tangible assets		17,240,036		18,930,693	
(b) Long-term loans and advances	11	272,589	1,75,12,625	271,306	1,92,01,999
<b>2. Current assets</b>					
(a) Inventories	12	51,694,915		37,966,311	
(b) Trade receivables	13	11,131,728		7,311,125	
(c) Cash and Bank Balances	14	714,240		2,801,980	
(d) Short-term loans and advances	15	2,321,099	65,861,982	524,186	48,603,603
<b>TOTAL</b>			<b>83,374,607</b>		<b>67,805,602</b>
Significant accounting policies and the accompanying notes are an integral part of these financial	1				

For and on behalf of the Board

As per our report of even date  
**For B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C

**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531

**(Anil Gorani)**  
Chairman  
00055540

**(Nakul Gorani)**  
Director  
06543317

**B. D. Sharda**  
Proprietor

Place : Indore  
Date : 30.05.2014

Membership No. 070209



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING ON 31<sup>st</sup> MARCH 2014**

PARTICULARS	Note No.	Year Ended 31/03/2014		Year Ended 31/03/2013	
		Rs.	Rs.	Rs.	Rs.
<b>I Revenue from operations:</b>	16				
Gross Sales		46,189,065		30,530,455	
Less: Excise Duty		4,040,655		1,435,930	
Net Sales		42,148,410		29,094,525	
<b>II Other Income</b>	17	387,407		66,488	
<b>III Total Revenue (I + II)</b>			42,535,817		29,161,013
<b>IV Expenses</b>					
Cost of Materials Consumed	18	25,334,436		20,121,464	
Purchases of Stock in Trade	19	-		44,880	
Changes in inventories of finished goods, work in progress and Stock-in- trade	20	(2,325,320)		(7,351,205)	
Employee benefits expense	21	10,391,654		9,557,280	
Finance Costs	22	65,201		92,658	
Depreciation and amortization expense	10	2,316,111		2,392,524	
Other expenses	23	6,378,254		4,460,828	
Total Expense			42,160,336		29,318,429
<b>V Profit / (Loss) before tax (III-IV)</b>			<b>375,481</b>		<b>(157,416)</b>
<b>VI Tax expense:</b>					
(1) Current tax		-		-	
(2) Deferred tax		-		-	
<b>VII Profit/(Loss) for the year ( V-VI)</b>			375,481		(157,416)
<b>VIII Earnings per equity share:</b>					
(1) Basic			0.07		(0.03)
(2) Diluted			0.07		(0.03)
Significant accounting policies and the accompanying notes are an integral part of these financial statements	1				

For and on behalf of the Board

As per our report of even date  
For **B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C

**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531

**(Anil Gorani)**  
Chairman  
00055540

**(Nakul Gorani)**  
Director  
06543317

**B. D. Sharda**  
Proprietor

Place : Indore  
Date : 30.05.2014

Membership No. 070209

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014**

(Rs. in Lacs)

PARTICULARS	AS AT 31/03/2014	AS AT 31/03/2013
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	3.75	(1.57)
Add : Non-Operating Expenses		
Depreciation	23.16	23.93
Loss on Sale of Fixed Assets	0	0
Interest received	(0.19)	(0.23)
Interest Paid	0.028	0.36
<b>Operating Profit before Working Capital Changes</b>	<b>26.75</b>	<b>22.48</b>
Change in Working Capital		
(Increase)/Decrease in Inventories	(137.29)	(85.27)
Decrease/(Increase) in Trade & Other Receivables	(38.21)	24.29
Decrease/(Increase) in Loans & Advances	(18.15)	9.42
Decrease/(Increase) in Other Current Assets	0.16	0.23
(Increase)/Decrease in Trade Payable & Other Liabilities	111.45	(16.77)
<b>Cash Generated from Operation</b>	<b>(55.28)</b>	<b>(45.61)</b>
FBT Tax Paid	--	--
<b>Cash Flow before Extraordinary Items</b>	<b>(55.28)</b>	<b>(45.61)</b>
Extraordinary Items		
Prior Year Tax	--	--
<b>Net cash flow from operating activities</b>	<b>(55.28)</b>	<b>(45.61)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(6.25)	(1.14)
Decrease / Increase in Capital WIP	--	--
Sale of Fixed Assets	--	--
Interest Income	0.19	0.23
<b>Net Cash Flow from Investing Activities</b>	<b>(6.06)</b>	<b>(0.91)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Calls Unpaid	--	--
Proceeds from Long term Borrowings	40.49	59.27
Interest Paid	(0.03)	(0.36)
<b>Net Cash Flow from Financing Activities</b>	<b>40.46</b>	<b>58.91</b>
<b>NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(20.88)</b>	<b>12.38</b>
Cash and Cash Equivalents as at 1 <sup>st</sup> April 2013 (Op. Bal)	28.02	15.63
Cash and Cash Equivalents as at 31 <sup>st</sup> March 2014 (Cl. Bal)	7.14	28.02

For and on behalf of the Board

As per our report of even date  
For **B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C

**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531

**(Anil Gorani)**  
Chairman  
00055540

**(Nakul Gorani)**  
Director  
06543317

**B. D. Sharda**  
Proprietor

Place : Indore  
Date : 30.05.2014

Membership No. 070209



Note: 1

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY**

#### **A] Basis of Accounting:**

The financial statements of Gorani Industries Limited have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting standards) Rule 2006 and the relevant provision of the Companies Act, 1956. The financial statements have been prepared under historical cost convention on accrual basis. The accounting policies have been consistently applied by the company unless otherwise stated.

#### **B] Sales:**

The sales of goods are recognized at the point of dispatch of the finished to the customers.

#### **C] Income:**

The Income is accounted for on accrual basis.

#### **D] Fixed Assets:**

Fixed Assets are stated at cost. The cost of an asset comprises its purchase price/cost of construction and any directly attributable expenses for bringing the assets to their working condition for its intended use. Expenditure for additions, modifications, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Profit & Loss Account.

#### **E] Depreciation:**

Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Assets which are purchased during the year, depreciation has been provided on pro-rata basis. No depreciation is provided on assets sold or scrapped during the year.

#### **F] Borrowing Cost:**

Borrowing cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as an expense in the period in which they are incurred.

#### **G] Foreign Currency Transaction:**

The transactions in foreign currencies are recorded at the rate prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange gains/ losses on settlement and on conversion of monetary items denominated in foreign currency are dealt with in the profit and loss account.

#### **H] Inventories:**

Inventories are stated at the lower of cost or net realizable value. Cost is determined on the basis of FIFO method. The cost of work in progress and finished goods comprise direct material, direct labour, and other direct cost and related production overheads.

**I] Contingent Liabilities:**

Contingent liabilities as defined in Accounting Standard 29 on “Provisions, contingent liabilities and contingent assets” are disclosed by way of notes to the accounts. Disclosure is not made if the possibility of an outflow of future economic benefits is remote. Provision is made if it is probable that an outflow of future economic benefits will be required to settle the obligation.

**J] Retirement Benefits:**

- i] The Company accounts for group gratuity for the eligible employees on the basis of payments to Life Insurance Corporation of India as actuarially determined with reference to agreement between them.
- ii] Leave encashment liability is accounted on actual payment basis as per the rules applicable to the company.
- iii] Company’s contribution to Provident Fund and ESIC are charged to Profit and Loss Account.

**K] Research & Development:**

Capital expenditure on research and development is treated in the same way as expenditure on Fixed Assets. The revenue expenditure on Research & Development is written off in the year in which it is incurred.

**L] Accounting on Taxes**

Tax Expenses comprises current tax and deferred tax.

Deferred tax is recognized on timing difference being the difference between taxable income and accounting income originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

As explained by the management, the brought forward business loss and unabsorbed depreciation are more than timing difference between tax depreciation and book depreciation; therefore the provision as stipulated by AS- 22 is not required. Company shall recognize deferred tax assets in succeeding years only when there is certainty that sufficient taxable income will be available.

**M] Impairment of Fixed Assets:**

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them, as impairment loss and the same is charged to profit & loss account. Based on the aforesaid review, the Company is of opinion that there is no impairment of any of its fixed assets as at 31st March 2014.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
<b>NOTE `2'</b>		
<b>SHARE CAPITAL</b>		
<b>-Authorised</b>		
6000000 Equity Shares of Rs. 10/- each		
[Previous Year : 6000000 Equity Shares of Rs. 10/- each]	60,000,000	60,000,000
<b>-Issued and Subscribed</b>		
* 5438000 Equity Shares of Rs. 10/- each.	54,380,000	54,380,000
[Previous Year : 5438000 Equity Shares of Rs. 10/- each]		
<b>TOTAL</b>	<b>54,380,000</b>	<b>54,380,000</b>
<b>-Paid up</b>		
5438000 Shares of Rs.10/- each (42,95,700 shares fully paidup)	54,380,000	54,380,000
Less:- Calls in Arrears on 11,42,300 Shares	5,447,000	5,447,000
<b>TOTAL</b>	<b>48,933,000</b>	<b>48,933,000</b>

<b>Reconciliation of Shares:</b>	<b>Nos</b>	<b>Amt(Rs)</b>	<b>Nos</b>	<b>Amt(Rs)</b>
Opening Share Capital	5,438,000	54,380,000	5,438,000	54,380,000
Less: Unpaid Calls		(5,447,000)		(5,447,000)
Closing Share Capital		<u>48,933,000</u>		<u>48,933,000</u>
<b>-List of Share holders having 5% or more Shares (In Nos)</b>				
<b>Name Of Shareholders</b>	<b>In Nos</b>	<b>In %</b>	<b>In Nos</b>	<b>In %</b>
Narendra Kumar Gorani	801,800	14.74	801,800	14.74
Online Appliances Ltd. (formerly known as Rahu Ketu Finance & Investments Ltd.)	790,600	14.53	790,600	14.53
Sanjay Gorani**	649,300	11.94	451,800	8.31
Shanta Devi Gorani	285,200	5.24	285,200	5.24

\*\* 197500 shares were acquired before 31.03.2014 but due to process time effect by RTA was given on 04.04.2014

Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees	Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
<b>NOTE `3'</b>			<b>NOTE `4'</b>		
<b>RESERVES AND SURPLUS</b>			<b>LONG TERM BORROWINGS</b>		
<b>Surplus (Deficit) in Statement of Profit &amp; Loss</b>			<b>Unsecured</b>		
Opening Balance	(24,270,635)	(24,113,219)	From Directors	9,278,799	5,229,800
Add: Profit/(Loss) During The Year	375,481	(157,416)	From Promoters	32,034,235	32,034,235
Closing Balance	<u>(23,895,155)</u>	<u>(24,270,635)</u>	(As per Stipulation of the sanction of CC limit by Central Bank of India )		
			<b>TOTAL</b>	<b>41,313,034</b>	<b>37,264,035</b>



# Gorani Industries Ltd.

Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
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## NOTE '5'

### OTHER LONG TERM LIABILITIES

Earnest Money Deposit	10,000	10,000
	<b>10,000</b>	<b>10,000</b>

## NOTE '6'

### SHORT TERM BORROWINGS

#### - Secured

Banks- Cash Credit (Repayable on Demand)	27,547	-
---	--------	---

(The working capital loan is secured by a first charge on all the current assets Hypothecation of Stock & Book Debts of the company. And by way of second charge on fixed assets loans are also guaranteed by the Directors.)

	<b>27,547</b>	<b>-</b>
--	---------------	----------

## NOTE '7'

### TRADE PAYABLES

Total Outstanding dues of Micro and Small Enterprises	-	-
---	---	---

Total Outstanding dues of Creditors other than Micro and Small Enterprises	14,474,793	4,245,262
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<b>TOTAL</b>	<b>14,474,793</b>	<b>4,245,262</b>
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## NOTE '10'

### FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		AS ON 01.04.2013	ADDITIONS	AS ON 31.03.2014	AS ON 01.04.2013	FOR THE YEAR	UPTO 31.3.2014	AS ON 31.03.2014	AS ON 31.03.2013
1	Lease Hold Land	465016	-	465016	-	-	-	465016	465016
2	Building	17589755	-	17589755	9127512	587498	9715010	7874745	8462243
3	Plant & Machinery	24105385	429,000	24534385	17392727	1147837	18540563	5993822	6712658
4	Dies & Tools	4282760	168,555	4451315	3938222	137188	4075410	375905	344538
5	Office Equipments	763315	-	763315	434788	36257	471046	292269	328527
6	Laboratory Equipment	312701	-	312701	178643	14853	193497	119204	134058
7	Electrical Installation	3669318	-	3669318	2704681	174293	2878974	790344	964637
8	Furniture & Fixture	4673716	-	4673716	4644827	7626	4652453	21263	28889
9	Computer	360984	27,900	388884	284876	28249	313125	75759	76108
10	Air Conditioner	278492	-	278492	193494	13228	206722	71770	84998
11	ETP	715979	-	715979	544144	34009	578153	137826	171835
12	Vehicles	2042307	-	2042307	923931	131356	1055287	987020	1118376
13	Fire Fighting Equipments	78261	-	78261	39450	3717	43167	35094	38811
	<b>Total</b>	<b>59337989</b>	<b>625455</b>	<b>59963444</b>	<b>40407296</b>	<b>2316111</b>	<b>42723407</b>	<b>17240036</b>	<b>18930693</b>
	<b>Previous Year</b>	<b>59224138</b>	<b>113849</b>	<b>59337987</b>	<b>38014770</b>	<b>2392524</b>	<b>40407294</b>	<b>18930693</b>	<b>21209368</b>

Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
-------------	-------------------------	-------------------------

1. Trade Payables includes Rs. NIL (Previous Year Rs. NIL) due to creditors registered with the Micor, Small and Medium Enterprises Development Act, 2006
2. No Interest is Paid/ Payable during the year to Micro, Small and Medium Enterprises.
3. The Above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of the supplier under the MSME Act.

## NOTE '8'

### OTHER CURRENT LIABILITIES

Advances From Customers	252,145	53,950
Sundry Creditors for Expenses	80,515	69,492
Taxes Duties and Other Payables	644,458	556,541

<b>TOTAL</b>	<b>977,118</b>	<b>679,983</b>
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## NOTE '9'

### SHORT TERM PROVISIONS

Provision for Employee Benefits	1,330,954	376,430
Provision for Other Expenses	203,316	567,527

<b>TOTAL</b>	<b>1,534,270</b>	<b>943,957</b>
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Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
-------------	-------------------------	-------------------------

## NOTE `11'

### LONG TERM LOANS AND ADVANCES

(unsecured Considered good)

Security Deposits with Government authorities	245,689	244,406
Security Deposits with Others	26,900	26,900
<b>TOTAL</b>	<b>272,589</b>	<b>271,306</b>

## NOTE `12'

### INVENTORIES

(at lower of cost or net realisable value)

Raw Material	23,916,871	12,406,448
Finished Goods	8,668,642	5,493,869
Work In Process	19,017,019	19,866,472
Stock-in-Trade	12,997	12,997
Stores and Spares	79,385	186,525
<b>TOTAL</b>	<b>51,694,915</b>	<b>37,966,311</b>

## NOTE `13'

### TRADE RECEIVABLES

(unsecured Considered good)

Outstanding for a Period Exceeding Six Months	580,996	1,015,175
Others	10,550,732	6,295,950
<b>TOTAL</b>	<b>11,131,728</b>	<b>7,311,125</b>

## NOTE `14'

### CASH AND BANK BALANCES

Cash and Cash Equivalents		
Cash in Hand	62,188	248,801
Balance In Current Accounts with Scheduled Bank	652,052	2,553,179
<b>TOTAL</b>	<b>714,240</b>	<b>2,801,980</b>

## NOTE `15'

### SHORT TERM LOANS AND ADVANCES

(unsecured Considered good)

Advances to Suppliers	1,748,785	4,550
Amount lying with Government Authorities	472,861	403,713
Prepaid Expenses	99,453	115,923
<b>TOTAL</b>	<b>2,321,099</b>	<b>524,186</b>

Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
-------------	-------------------------	-------------------------

## NOTE `16'

### REVENUE FROM OPERATION

#### Sales

Manufactured Goods	42,148,410	29,045,025
Traded Goods	-	49,500
<b>TOTAL</b>	<b>42,148,410</b>	<b>29,094,525</b>

#### Details of Sales (Manufactured Goods)

Nutan Stoves	-	4,855,000
L.P.G. Stoves	38,150,350	17,102,905
Gas Geysers	1,875,300	1,765,100
Rangehood (Chimney)	2,122,760	5,322,020
<b>TOTAL</b>	<b>42,148,410</b>	<b>29,045,025</b>

#### (Traded Goods)

Others	-	49,500
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## NOTE `17'

### OTHER INCOME

Interest	20,190	22,726
Liabilities & Provisions written back	-	43,762
Foreign exchange gain	367,217	-
<b>TOTAL</b>	<b>387,407</b>	<b>66,488</b>

## NOTE `18'

### COST OF MATERIAL CONSUMED

#### Raw Materials' Consumed

Stock at the beginning of the year	12,406,448	10,967,301
Add: Purchases	36,844,860	21,560,611
Less : Stock at the end of the year	(23,916,871)	(12,406,448)
<b>TOTAL</b>	<b>25,334,436</b>	<b>20,121,464</b>

#### Details of Raw Material Consumed

Iron & Steel	6,325,695	6,950,340
Other Raw Materials	144,966	291,585
Components & Stores	15,756,540	11,017,426
Packing Materials	3,107,235	1,862,113
<b>TOTAL</b>	<b>25,334,436</b>	<b>20,121,464</b>



# Gorani Industries Ltd.

Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
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## NOTE `19'

### PURCHASE OF STOCK IN TRADE

Purchases of Trading Goods	-	44,880
<b>TOTAL</b>	<b>-</b>	<b>44,880</b>

### Details of Trading Goods Purchased

Glue	-	44,880
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## NOTE `20'

### Change in Inventories

#### Inventories at the Beginning of the Year

Work-in Process	19,866,472	14,770,719
Finished Goods	5,493,869	3,238,418
Traded Goods	12,997	12,997
	<u>25,373,339</u>	<u>18,022,134</u>

#### Less: Inventories at the End of the Year

Work-in-Process	19,017,019	19,866,472
Finished Goods	8,668,642	5,493,869
Traded Goods	12,997	12,997
	<u>27,698,659</u>	<u>25,373,339</u>

Decrease /( Increase ) in Stock	<u>(2,325,320)</u>	<u>(7,351,205)</u>
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## NOTE `21'

### EMPLOYEE BENEFITS EXPENSES

Salaries, Wages, Bonus etc.	7,047,372	6,323,103
Contribution to PF, ESIC & Other Statutory Funds	1,400,464	1,912,253
Workmen and Staff Welfare Expenses	743,818	121,924
Director Remuneration	1,200,000	1,200,000
<b>TOTAL</b>	<b><u>10,391,654</u></b>	<b><u>9,557,280</u></b>

## NOTE `22'

### FINANCE COSTS

#### Interest Expense

Bank Charges	62,357	56,633
Interest Expenses	2,844	36,025
<b>TOTAL</b>	<b><u>65,201</u></b>	<b><u>92,658</u></b>

Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
-------------	-------------------------	-------------------------

## NOTE `23'

### OTHER EXPENSES

#### Direct Expenses

Consumptions Of Store and Spares	453,318	593,970
Power and Fuel	1,990,422	1,664,391
Freight on Purchases	434,915	131,696
Repairs To - Plant & Machinery	195,713	169,226
Repairs To - Dies	253,436	146,872
Repairs To - Electric	61,159	33,801
Entry Tax	268,165	288,793
Laboratory Expenses	26,400	27,469
Other Factory Expenses	45,889	77,368
Import Expenses	273,958	-
<b>SUB TOTAL</b>	<b><u>4,003,375</u></b>	<b><u>3,133,586</u></b>

#### Administrative and Other Expenses

Insurance	62,376	58,782
Rent,Rates and Taxes	169,492	135,841
Office Expenses	46,428	66,349
ISO 9000 & Certification	30,337	7,000
Legal & Professional Charges	133,665	192,895
Books & Periodicals	2,696	2,451
Building Maintenance	14,653	32,543
Share Demat & Registrar Exp.	108,435	105,276
Postage & Courier	70,316	74,520
Telephone Expenses	164,158	126,845
Stationery & Printing	48,008	54,619
Travelling & Conveyance	55,421	17,734
Payment to Auditors:		
For Statutory Audit	40,000	40,000
For Tax Audit	5,000	5,000
For Others	28,000	18,000
Director Sitting Fees	9,000	9,000
Registration & Fees	97,184	62,046
Vehicle Running & Maintenance	57,743	37,459
Sundry balances written off	2,046	-
<b>SUB TOTAL</b>	<b><u>1,144,958</u></b>	<b><u>1,046,360</u></b>





Particulars	On 31.03.2014 Rupees	On 31.03.2013 Rupees
Selling & Distribution Expenses		
Advertisement & Publicity	25,237	52,200
Marking Fee	38,200	38,200
Foreign Exchange Loss	-	190,482
Freight expenses on consignment	642,980	-
Commission on consignment sales	523,504	-
<b>SUB TOTAL</b>	<b>1,229,921</b>	<b>280,882</b>
<b>TOTAL</b>	<b>6,378,254</b>	<b>4,460,828</b>

## Note: 24 Earnings Per Share:

The basic earning per share and diluted earning per share are calculated as under: -

	2013-2014	2012-2013
i] Net Profit as per Profit & Loss		
Account available for Equity		
Share holders.	Rs. 375481	(1,57,416)
ii] Weighted average number		
of Equity Share for Earning		
per Share Computation		
A] For Basic Earnings per		
Share (No.)	5438000	5438000
B] For Diluted Earning per		
Share (No.)	5438000	5438000
iii] Earning per Share for Basic		
& Diluted	Rs. 0.07	(0.03)

## Note: 25 Segment Reporting Policies

Identification of segments:

### a] Primary Segments

Business segment: The Company has only one segment of Home Appliances and the products considered as part of the segment are LPG Stove, Range hood (Chimney) and Gas Geysers. Since inherent nature of all activities of the company is governed by the same set of risks and returns and also all the products are falling in the same category in trade parlance therefore as per the guidelines of the AS-17 no primary segment is reporting required for the year.

### b] Secondary Segment

Geographical Segment: The analysis of geographical segment is based on the geographical location of the customers. The following is the distribution of the Company's consolidated sales by geographical market:-

Sales to Domestic		
Market (Mfg)	Rs. 4,21,48,410/-	2, 90, 45,025/-
Sales to Domestic		
Market (Trd)	---	49,500/-
Sales to Overseas		
Market	---	---
	Rs.4,21,48,410/-	2,90,94,525/-

## Note: 26 Disclosure of Related party /Related Party Transactions

### Name of the related parties and relationship

#### (a) Associates Companies

M/s Blow Hot Kitchen Appliances Private Limited.

#### (b) Key Management Personnel and their relatives

Mr. Sanjay Gorani	Managing Director
Mr. Anil Gorani	Chairman
Mr. Nakul Gorani	Director
Mr. Narendra Gorani	Relative of Director
Mrs. Manju Gorani	Relative of Director

(c) The transactions entered into with the related parties during the year along with related balances as at 31st march 2014 are as under:

NATURE OF TRANSACTION	RELATED PARTIES REFERED ABOVE IN (a)	(b)
RENT	36,000	-
	(36,000)	-
LOAN TAKEN	-	40,48,999
		(1,38,74,300)
AMOUNT OUTSTANDING		
AS AT 31.03.2014	-	4,13,13,034
		(3,72,64,035)
MANAGERIAL	-	12,00,000
REMUNERATION		(12,00,000)

## Note: 27

Contingent Liabilities

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil. (Previous Year Rs. NIL)


**Note: 28**

In the opinion of the management and to the best of their knowledge and belief the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet. No provision has been made for the long outstanding debtors considered doubtful because it is still under negotiation stage.

**Note: 29**

Additional Information pursuant to provisions of paragraph 3, 4B, 4C of part II of schedule VI to the companies as certified by the Directors:

**a) Details of Imported and Indigenous Raw Material, Stores & Spares Consumed:**

	Current	Year	Previous	Year
Imported	1,57,56,540	61.10%	1,09,00,696	52.62%
Indigenous	1,00,31,214	38.90%	98,14,738	47.39%
	2,57,87,754	100.00%	2,07,15,434	100.00%
			<b>Current Year</b>	<b>Previous Year</b>

**b) Value of Imports Calculated on CIF Basis:**

Raw Material\Components	1,54,42,063	73,48,288
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**c) Expenditure in Foreign Currency**

Foreign Travelling	0	0
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**d) Earning in Foreign Exchange:**

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**Note: 30**

The Balances in the accounts of debtors, creditors, loans, advances and others are subject to confirmation and reconciliation. But no confirmation is called in last three year by the company.

**Note: 31**

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year figures.

For and on behalf of the Board

As per our report of even date  
For **B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C

**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531

**(Anil Gorani)**  
Chairman  
00055540

**(Nakul Gorani)**  
Director  
06543317

**B. D. Sharda**  
Proprietor

Place : Indore  
Date : 30.05.2014

Membership No. 070209



# Gorani Industries Ltd.

## Form No. MGT-11

### Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L28121MP1995PLC009170

Name of the company: Gorani Industries Limited

Registered office: 32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015

Name of the Member(s):

Registered Address:

E-mail Id:

Folio No/Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

- |                                  |                                  |                                  |
|----------------------------------|----------------------------------|----------------------------------|
| 1. Name: .....                   | 2. Name: .....                   | 3. Name: .....                   |
| Address: .....                   | Address: .....                   | Address: .....                   |
| E-mail Id: .....                 | E-mail Id: .....                 | E-mail Id: .....                 |
| Signature: ....., or failing him | Signature: ....., or failing him | Signature: ....., or failing him |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Nineteenth Annual general meeting/ Extraordinary general meeting of the company, to be held on the 29th day of September, 2014 At 04.00. p.m. at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore (M.P.).and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	
1.	Consider and adopt Audited Financial Statement, reports of the Board of Directors and Auditors thereon.
2.	Appointment of Mr. Anil Gorani (Holding DIN 00055540) who retires by rotation and being eligible, offers himself for reappointment.
3.	Appointment of Auditor and Fixing their remuneration.
4.	Appointment of Mr. Shayam Sunder Jhawar (Holding DIN 02424283) as an Independent Director of the Company.
5.	Appointment of Mr. Sandeep Kumar Jain (Holding DIN 03534578) as an Independent Director of the Company.
6.	Appointment of Ms. Rashi Joshi (Holding DIN- 06920858) as an Independent Woman Director of the Company.
7.	Approval to mortgage or charge all or any part of immovable or movable properties of the Company under Section 180(1) (a) of the Companies Act, 2013.
8.	Approval for borrowing money under section 180(1)(c) of the Companies Act, 2013.

Signed this ..... day of ..... 20.....

Signature of shareholder

Signature of Proxy holder(s)

Affix a  
Re. 1  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

## ATTENDANCE SLIP

### 19th ANNUAL GENERAL MEETING ON 29TH SEPTEMBER, 2014

R.F. No. \_\_\_\_\_

Mr./Mrs./Miss \_\_\_\_\_

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the Nineteenth Annual General meeting of the company at the Registered office of the company on Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore (M.P.), 2014 on the 29th day of September, 2014 At 04.00. p.m.

(If signed by proxy, his name should be

Written in block letters)

(Shareholders/proxy's Signature) \_\_\_\_\_

#### Note:

- Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
- If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

BOOK - POST

To,

*If Undelivered, please return to*  
**Gorani Industries Ltd.**  
Reg. Office : Plot No. 32-33, Sectr F,  
Sanwer Road, Industrial Area, INDORE - 452 015 (M.P.)