
GUJCHEM DISTILLERS INDIA LIMITED

(CIN: L24230GJ1939PLC002480)

Office No. 6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad-380009
Phone: +91 7926580893 E-mail : gujcheminvestors@gmail.com Web : gujchemdistillers.com

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of the Company will be held on Tuesday, the 30th day of September, 2014 at 04.00 P.M. at the Registered Office of the Company at "Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad-380009 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet, Statement of Profit and Loss and Cash Flow statement together with the Directors' Report and Auditors' Report thereon for the year ended 31st March, 2014.
2. To appoint a Director in place of Smt. Devika Navnitlal (holding DIN: 00520812), who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix up their remuneration and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s. Sharp & Tannan, Chartered Accountants (Firm Reg. no. 109982W), Mumbai be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION.**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any and the Rules made there under (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 clause 49 of Listing Agreement, Shri Shashikant D. Pandya (holding DIN 01672981), Director of the Company, who retires by rotation at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to determination by retirement by rotation and be valid for a term of 3 (three) consecutive years for a term up to March 31, 2017."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION.**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any and the Rules made there under (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 clause 49 of Listing Agreement, Shri Ashwini R. Devpura (holding DIN 01243827), Director of the Company, who retires by rotation at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, whose period of office shall not be

liable to determination by retirement by rotation and be valid for a term of 3 (three) consecutive years for a term up to March 31, 2017.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION.**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any and the Rules made there under (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 clause 49 of Listing Agreement, Shri Jagat D. Shah (holding DIN 01617629), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to determination by retirement by rotation and be valid for a term of 3 (three) consecutive years for a term up to March 31, 2017.”

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be valid must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
3. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. Members are requested to notify the change, if any in their registered address.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 26th September 2014 to Tuesday, 30th September 2014 (both days inclusive) for the Annual General Meeting.
6. Members are requested to bring their copy of Annual Report to the meeting.
7. Members desiring to seek information on Annual Accounts to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Information pursuant to Clause 49 of the Listing Agreement regarding appointment of new Directors or /re-appointment of Directors:

Name of Director	Date of Birth	Date of Appointment	Expertise	Shareholding in the Company	Relation with Directors in the Company
Smt. Devika Navnitlal	03-10-1933	18-01-1978	Administration & Finance	10,028	Relative of Shri Manish Navnitlal Managing Director of the Company.
Shri Jagatbhai D.Shah	02-12-1962	01-10-2004	Administration	77	—
Shri Shashikant D.Pandya	08-07-1936	01-10-2004	Administration & Legal matters	50	—
Shri Ashwini R. Devpura	24-09-1962	01-10-2009	Accounts, and Financial matters	NIL	—

10. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, e-voting facility is being provided to the members.

Members are requested to follow the below mentioned instructions to cast their vote through e-voting:

SECTION -A - E-VOTING PROCESS :

1. Open your web browser during the voting period and log on to the e-Voting Website: www.evotingindia.com.
2. Click on "Shareholders" to cast your vote(s)
3. Select the Electronic Voting Sequence Number (EVSN) i.e. "140813022" along with "COMPANY NAME" i.e. "GUJCHEM DISTILLERS INDIA LIMITED." from the drop down menu and click on "SUBMIT".
4. Please enter User ID-
 1. For account holders in CDSL :- Your 16 digits beneficiary ID
 2. For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
 3. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:
 1. Enter your 10 digit alpha-numeric **PAN** issued by Income Tax Department.

For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
 2. Enter the **Date of Birth (DOB)** recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format#
 3. Enter your **Dividend Bank details** (Account Number) recorded in the demat account or registered with the Company for the demat account#

Any one of the details i.e. DOB or Dividend Bank details should be entered for logging into the account. If Dividend Bank details and Date of Birth are not recorded with the Depository or Company please enter **the number of shares held by you as on the cut-off date (record date) i.e. 29-08-2014 in the Dividend Bank details field.**
8. After entering these details appropriately, click on "SUBMIT" tab.
9. First time user holding shares in D-mat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password can also be used by the D-mat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the 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.

If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
10. Click on the EVSN of the Company i.e. 140813022 to vote.

11. On the voting page, you will see Resolution description and against the same the option 'YES/ NO' for voting. Select the relevant option as desired YES or NO and click on submit.
12. Click on the Resolution File Link if you wish to view the Notice.
13. 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.
14. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

SECTION - B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS.

- i. The e-Voting period commences on September 24, 2014 (9.00 a.m.) and ends on September 26, 2014 (6.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date of 29-08-2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company.
- iii. Mr. Umesh G. Parikh (Membership No.2413), Proprietor of M/s. Umesh Parikh & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the **Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairperson of the Company.**

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gujchemdistillers.com and on the website of CDSL <https://www.evotingindia.co.in> within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.
- vi. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii. Corporate and Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

CONTACT DETAILS:

<i>Company</i>	<i>GUJCHEM DISTILLERS INDIA LIMITED</i>
<i>Registrar and transfer agent</i>	Sharepro Services (India) Pvt. Ltd.
<i>E-voting Agency</i>	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com
<i>Scrutinizer</i>	Umesh G. Parikh (Proprietor of M/s. Umesh Parikh & Associates) Practicing Company Secretaries Email id: info@parikhdave.com

Date: 11th August, 2014

By order of the Board,

Regd. Office:

Office No.6, 2nd Floor, National Chambers,
Nr. City Gold, Ashram Road, Ahmedabad 380009**MANISH NAVNITLAL**
Managing Director**ANNEXURE TO THE NOTICE**

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

In conformity with the provisions Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Item No. 4, 5 & 6 contained in the accompanying Notice dated 11th August, 2014.

Item No.4:

Shri Shashikant D. Pandya (holding DIN 01672981) is a Non-Executive Independent Director of the Company. He joined the Board of Director of the Company on 01-10-2004. Shri Shashikant D. Pandya aged about 78 years, is a retired Deputy Commissioner of Police and Director in Gujarat Inns Private Limited and The Sarangpur Co-Operative Bank Ltd. He is the member of the Shareholders /Investors Grievance cum Share transfer Committee.

Shri Shashikant D. Pandya, retires at the ensuing Annual general Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Shashikant D. Pandya being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for three consecutive years for a term up to 31st March, 2017 and he would not be liable to retire by rotation during the aforesaid period.

A notice has been received from a member proposing Shri Shashikant D. Pandya as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Shashikant D. Pandya fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Shashikant D. Pandya as an Independent Director 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.

In view of his experience and valuable contribution during his tenure, it is desirable to continue to avail services of Shri Shashikant D. Pandya as an Independent Director of the Company.

Your Directors recommend to pass the proposed Resolution.

Except Shri Shashikant D. Pandya being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5:

Shri Ashwini R. Devpura (holding DIN 01243827) is a Non-Executive Independent Director of the Company. He joined the Board of Director of the Company on 01-10-2009. Shri Ashwini R. Devpura aged about 52 years, is B. Com., F.C.A., D.I.C.A. and a partner of Devpura Navlakka & Co., Chartered Accountants and Director in M/s. Swojans Investment Private Limited, M/s. Quarry Properties Private Limited and M/s.

Maheshwari Infomatic Private Limited. He is the Chairman of the Audit Committee.

Shri Ashiwini R. Devpura, retires at the ensuing Annual general Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Shri Ashiwini R. Devpura being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for three consecutive years for a term up to 31st March, 2017 and he would not be liable to retire by rotation during the aforesaid period.

A notice has been received from a member proposing Shri Ashiwini R. Devpura as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Ashiwini R. Devpura fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Ashiwini R. Devpura as an Independent Director 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.

In view of his experience, knowledge and valuable contribution during his tenure, it is desirable to continue to avail services of Shri Ashiwini R. Devpura as an Independent Director of the Company.

Your Directors recommend to pass the proposed resolution.

Except Shri Ashiwini R. Devpura being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution

Item No. 6:

Shri Jagat D. Shah (holding DIN 01617629) is a Non-Executive Independent Director of the Company. He joined the Board of Director of the Company on 01-10-2004. Shri Jagat D. Shah aged about 52 years, is Science graduate and a proprietor at Jascoo Industries. He is the member of the Audit Committee.

Shri Jagat D. Shah 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, Shri Jagat D. Shah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for three consecutive years for a term up to 31st March, 2017 and he would not be liable to retire by rotation during the aforesaid period.

A notice has been received from a member proposing Shri Jagat D. Shah as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Jagat D. Shah fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is Independent of the management. Copy of the draft letter for appointment of Shri Jagat D. Shah as an Independent Director 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.

In view of his experience and valuable contribution during his tenure, it is desirable to continue to avail services of Shri Jagat D. Shah as an Independent Director of the Company.

Your Directors recommend to pass the proposed resolution.

Except Shri Jagat D. Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

Date: 11th August, 2014

Regd. Office:

Office No.6, 2nd Floor, National Chambers,
Nr. City Gold, Ashram Road, Ahmedabad 380009

By order of the Board,

MANISH NAVNITLAL
Managing Director

DIRECTORS' REPORT

To,
The Members,
GUJCHEM DISTILLERS INDIA LIMITED

Your Directors present the Annual Report together with the audited statement of accounts for the year ended 31st March, 2014 which they trust will meet your approval.

FINANCIAL RESULTS:

The working results of the Company for the year ended 31st March, 2014 are briefly indicated below:

	(Rs. in Lacs)
	2013-2014
	2012-2013
	Rs.
	Rs.
Profit (Loss) before depreciation and others:	-16.60
Less: Depreciation	6.05
	- 22.65
Less : Provision for Income Tax	-0.64
Profit for the year	-22.01
Surplus in the statement of Profit & Loss Account brought forward	209.43
Balance of surplus carried forward	187.42
	209.43

OPERATIONS AND FUTURE PROSPECTS

The Company has been able to generate revenue by undertaking commission based operations during the year under review. The management is exploring various alternatives for the manufacture of the products for which Company has technical knowhow.

DIVIDEND

Your Directors regret their inability to recommend dividend for the year under review.

DEPOSITS

During the year under review, company has not accepted any deposits falling within purview of section 58A of the Companies Act, 1956.

DIRECTORS

Smt. Devika Navnitlal retires by rotation at the ensuing Annual General Meeting and she being eligible offers herself for re-appointment. Your Directors recommended her re-appointment.

Pursuant to the provisions of the Companies Act 2013, Shri Jagat D. Shah whose period of office is liable to determination by retirement by rotation under the applicable provisions of the Companies act, 1956 is being appointed as an Independent Director at this meeting for the term of Three Consecutive years.

Shri Shashikant D. Pandya and Shri Ashwini R. Devpura, Directors of the Company, who retires by rotation at the ensuing Annual General Meeting under the applicable provisions of the Companies Act, 1956 are being appointed as Independent Directors at this meeting for the term of Three Consecutive years.

EMPLOYEES

There are no employees in receipt of remuneration as mentioned in section 217(2A) of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Director's responsibility statement, it is hereby confirmed:

1. That the preparation of the annual accounts for the financial year ended 31st March, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the loss of the company for the year ended under review;
3. That 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 for the year ended under review;
4. That the Directors have prepared the accounts for the financial year 31st March 2014 on a going concern basis.

CORPORATE GOVERNANCE

Your Company has complied with the Corporate Governance practice mandated by Clause 49 of the Listing Agreement. A report on the same is given separately.

STATUTORY AUDITORS:

The Company's Auditors M/s. Sharp & Tannan, Chartered Accountants will retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The members are requested to appoint M/s. Sharp & Tannan as Statutory Auditors till the conclusion of next Annual General Meeting and fix their remuneration.

AUDITORS OBSERVATIONS

The observations of the Auditors in their report are explained in the notes to the accounts which are self-explanatory.

SECRETARIAL COMPLIANCE CERTIFICATE

As per the provisions of section 383A of the Companies Act, 1956, the Secretarial Compliance Certificate from M/s. Umesh Parikh & Associates, Practicing Company Secretary is attached herewith.

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

Since there were no manufacturing activities during the year under review, details required under this clause are not applicable.

There is no foreign exchange earnings and outgo during the year under review.

ACKNOWLEDGEMENT

Your Directors acknowledge with thanks the overall support extended by shareholders, employees, suppliers and customers.

FOR AND ON BEHALF OF THE BOARD

Place : Ahmedabad
Date : 9th May, 2014

DEVIKA NAVNITLAL
CHAIRPERSON

CORPORATE GOVERNANCE REPORT
(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

The Securities and Exchange Board of India (SEBI) has introduced a code of corporate governance for listed companies which is implemented through the listing Agreements with the Exchanges with which the Company is listed. The Company has complied with the corporate governance requirements set out in Clause 49 of the listing Agreement.

1) Company's Philosophy on Code of Corporate Governance.

The Company believes that good corporate governance leads to long term gain in shareholder's value. The Company is committed to maintain the highest standard of corporate governance in its conducts towards shareholders, employees and other stakeholders.

2) Board of Directors
Composition:

The Board of Directors consists of Five Directors, of whom Smt. Devika Navnitlal is the Chairperson and Shri Manish Navnitlal is the Managing Director of the Company. The composition of Board of Directors is in compliant with the requirement of Clause 49 (IA) i.e. more than 50 % of Directors are non-executive Directors and Independent Directors.

The detailed composition of the Board and other related information is given in the table below.

Board meetings:

During the year, Four Board Meetings were held on 09-05-2013, 08-08-2013, 08-11-2013 and 11-02-2014.

The composition of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorship and committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorships	No. of other Committee Members
1.	Smt. Devika Navnitlal	Chairperson (non-executive)	3	Yes	-	-
2.	Shri Manish Navnitlal	Managing Director	4	Yes	-	-
3.	Shri Jagat D. Shah	Director independent (non-executive)	4	Yes	-	-
4.	Shri Shashikant D. Pandya	Director (Independent) non-executive	4	Yes	-	-
5.	Shri Ashwini R. Devpura	Director (Independent) non-executive	2	Yes	-	-

Directorship in Private Companies, Foreign Companies and Associates are excluded.

The Company did not have any pecuniary relationship or transactions with the non-executive Directors during the period under review. None of Directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors.

The Board meets at least once a quarter and interval between two meetings was not more than four months.

The Board is presented with the extensive information on vital matters affecting the working of the Company and risk assessment and mitigation procedure. Among others, this includes:

1. operating plans, capital budget and updates and reviews thereof,
2. quarterly results of the company and business segments,
3. Proposal for investments, disinvestments, restructuring,
4. Compliance of listing requirements & various statutory requirements.
5. Minutes of committee meetings.

Shareholding of Non-Executive Directors as on 31st March, 2014 is as follows:

Name of the Directors	Number of Equity Shares
Smt. Devika Navnitlal	10028
Shri Jagat D. Shah	77
Shri Shashikant D. Pandya	50
Shri Ashwini R. Devpura	Nil

3) Audit Committee

As required under Section 177 of the Companies Act, 2013 and Section 292A of the erstwhile Companies Act, 1956, read with the provisions of Clause 49 of the listing agreement, the Board has constituted an Audit Committee consisting of 2 Independent Directors and one Managing Director. Shri Ashwini R. Devpura is a Chairman, Shri Jagatbhai D. Shah and Shri Manish Navnitlal are members of the said Committee.

The composition of Committee and the qualifications are in compliance with the requirements of Clause 49 of Listing Agreement. During the year, 4 (four) Committee Meetings were held on 09-05-2013, 08-08-2013, 31-10-2013, and 11-02-2014 which were attended by all committee members.

The functions of Audit Committee are as per the listing Agreement with the Stock Exchanges. Broadly the same are (i) oversee the financial reporting process (ii) recommend the appointment of auditors, (iii) decide the audit fees, discuss the nature and scope of audit and ascertain area of concern, (iv) review the annual and quarterly financial statements, (v) review the changes in accounting policies etc (vi) review the adequacy of internal audit functions and discuss with them significant findings, (vii) review the disclosure of related party transactions, (viii) Compliance with listing and other legal requirements relating to financial statements.

The audit Committee met prior to the finalization of Accounts for the year ended 31-03- 2014. The interval between two meeting convened was not more than four months. The audit committee adheres to the SEBI guidelines in terms of quorum of its meetings, functioning, role and powers.

4) Nomination and Remuneration Committee.

Pursuant to the provisions of the Companies Act, 2013, the Remuneration Committee has been re-named as Nomination and Remuneration Committee.

The Company's Nomination and Remuneration Committee presently consists of three independent Directors. Shri Shashikant D. Pandya is a Chairman, Shri Jagat D. Shah and Shri Ashwini R. Devpura are the members of the said committee.

The terms of reference of the Nomination and Remuneration Committee are as outlined in the Companies Act, 2013 and the Listing Agreements.

The Committee is inter alia authorised to identify persons who are qualified to become Directors, appointment of senior Management, evaluation of Directors performance, recommending policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and granting of Stock options to senior Managerial Personnel.

During the year, no Committee Meeting was held.

Details of remuneration paid for the year ended 31-03-2014.

Name	Position held During the period	Salary and Allowances Rs. In lacs	Perquisites Rs. in Lacs	Total Remuneration Rs. in Lacs
Shri Manish Navnitlal	Managing Director	24.16	Nil	24.16

No remuneration except payment of sitting fee of Rs 13,000/- to the non-executive Directors for the Board meeting attended by them during the year ended 31-3-2014.

5) Stakeholders Relationship Committee.

Pursuant to the provisions of the Companies Act, 2013, the Shareholders/ Investors Grievances cum Share Transfer Committee has been re-named as Stakeholders Relationship Committee.

The committee presently consists of two independent Directors and one Non-executive Director. The members of the committee are Smt. Devika Navnitlal, Chairperson, Shri Jagat D. Shah and Shri Shashikant D. Pandya.

As a measure of good corporate governance and to focus on the Shareholders' grievances and towards strengthening investor relations and to expedite the transfer process in the physical segment, the committee deals with issue of duplicate share certificates, redressing of shareholders and investors complaints and Grievances like transfer of shares, non-receipts of Balance-sheet. All the meetings of the committee were attended by all members.

6) Code of Conduct

The Company's code of conduct has been complied with by all the members of the Board and selected employees of the Company. The Company has in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulation, 1992. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

7) Management Discussion and Analysis Report
Industry structure and Developments

The Company was primarily engaged in the business of manufacturing and sale of various chemical products based on molasses and industrial alcohol. Due to change in the Government policy by way of decontrol of molasses and alcohol, the Company's products range had become non-profitable. Thus the Company had become sick company and was registered with Board for Industrial and Financial Reconstruction (BIFR). During the year 2010-11 as per order issued by the Board for Industrial and Financial Reconstruction the company has been ceased to be a sick industrial company, as its net worth turned positive and its revival is sustainable.

Opportunities and outlook

The company is hopeful about its growth prospects in the future as it is exploring possibilities in the area of Research & Development in product and process development in Specialty Chemicals and Agriculture & plant life.

The company has curtailed expenditure substantially.

Segment

There are no different segments and hence details are not provided.

Risk and Concerns

Presently there are no major activities being carried out, this clause may not be applicable.

Internal control System and their adequacy

The company has an adequate system of internal control commensurate with the size and nature of business of the company.

The system of internal control of the company is adequate keeping in mind the size and current activities of your company. Systems are regularly reviewed to ensure effectiveness.

Financial Performance

Financial performance with respect to Operational Performance is discussed in the main part of the Director's Report. The company has incurred loss during the year. Company hopes for better results in future.

Material Developments in Human Resources / Industrial Relations.

Upon finalization of future activities, the company would build technical team with high quality talent. Present team is well verse with operations being carried out by the company. The company is putting thrust on providing training both in –house and outside.

The company maintains cordial and harmonious relation with its employees.

8) General Body Meetings

The last three Annual General Meetings were held as under:-

Financial year ended	Date	Time	Venue
31-03-2013	12-09-2013	03.00 p.m.	Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad. 380009
31-03-2012	29-09-2012	03.00 p.m.	
31-03-2011	30-09-2011	04.00 p.m.	

No Special Resolution was put through postal ballot. At the forthcoming AGM, there is no item on the agenda that needs approval by Postal Ballot.

9) Disclosures

In preparation of financial statements, the Company has followed the applicable Accounting Standards. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts.

There are no related party transactions during the year.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

No strictures/ penalties have been imposed on the company by the stock exchange or SEBI or any statutory authority on any matters related to the capital market during last 3 years.

The Company's code of conduct has clearly laid down procedures for reporting unethical behavior, actual or suspected fraud or violation of the ethics policies. No employee of the company was denied access to the Audit Committee.

Of the non-mandatory requirements relevant to the Company, training of the Board members and mechanism for evaluation non-executive Board members had not been put in place.

10) Means of Communication

1. The Company has published its quarterly results in Western Times, Gujarati and English Edition.
2. The Management Discussion & Analysis forms part of the Annual Report, which is posted to all the members of the Company.
3. The information is also available on our website www.gujchemdistillers.com.

11) General Shareholder Information

Date, time and venue of AGM	30 th September, 2014 at 4.00 p.m. at Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad - 380009.
Dates of Book Closure	Friday, 26 th September, 2014 to Tuesday,30 th September, 2014 (both days inclusive)

Listing on Stock Exchanges	The Stock Exchanges at Mumbai & Ahmedabad.
Listing Fees	Company has paid listing fees to Bombay Stock Exchange.
ISIN No.	INE 218N01013
Stock Exchange's Script Code	
Bombay Stock Exchange	: No. 506640
Ahmedabad Stock Exchange	: No. 23010
Registered Office	Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad 380009.
Dividend Payment Date	Not Applicable
Compliance Officer	Mr. Jayraj S. Chauhan
Registrar and Share Transfer Agent	Sharepro Services (India) Pvt. Ltd. 416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006.

12) Share price on The Stock Exchange, Mumbai

After revocation of suspension of trading, there was no material trading of shares, so no details are given. The price of equity share of Rs.10 was quoted at Rs. 181.50 on 31-03-2014.

13) Financial Calendar 2014-2015 (tentative)

Annual General Meeting	Last week of September 2014
Results for quarter ending June 30, 2014	On or before 14th August, 2014
Results for quarter ending September 30, 2014	On or before 14th November, 2014
Results for quarter ending December 31, 2014	On or before 14th February, 2015
Results for year ending March 31, 2015	On or before 30 th May, 2015

14) Distribution of Shareholding as on 31-03-2014

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
Up to 500	5132	99.77	64683	39.96
501 - 1000	2	0.04	1132	0.70
1001 - 2000	3	0.06	3732	2.31
2001 - 3000	1	0.02	2793	1.73
3001 - 4000	1	0.02	3009	1.86
4001 - 5000	1	0.02	4476	2.76
5001 - 10000	2	0.04	10405	6.43
10001 and above	2	0.04	71655	44.26
Total	5144	100%	161885	100%

15) Pattern of Shareholding as on 31-03-2014

Sr. No	Category	No. of Shares	(%)
1.	Promoters group	84329	52.09
2.	Financial Institutions/Banks	197	0.12
3.	Body Corporate	683	0.42
4.	NRI	30	0.02
5.	Others	76646	47.35
	Total	161885	100.00

There is no outstanding GDRs/ADRs/Warrants or any convertible instruments as on date.

16) Dematerialization of Shares, Registrar & Transfer Agent & Share Transfer System.

(i) Share Transfer System

The process of transfer / transmission / transposition etc. of equity shares in physical form including dispatch of the share certificates is completed within a period of 15 days if the documents are in order in all respects.

(ii) Dematerialisation of shares, Registrar & Transfer system:

As on 31-03-2014, 95,684 shares of the company are in dematerialized form and 66,201 shares are in physical form.

The Company's shares are available for dematerialization through NSDL and CDSL under ISIN NO : INE218N01013.

Sharepro Services (India) Pvt. Ltd. having its office at 416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad - 380 006 as Registrar and Share Transfer Agents being a common Agency for Physical and Electronic modes.

(iii) Investors Correspondence:

All shareholders queries are sent to the Company at its Registered office at Office No. 6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad - 380 009. or to the Registrar & Transfer Agent as aforementioned address. Queries can also be sent by e-mail on gujcheminvestors@gmail.com or sharepro.ahmedabad@shareproservices.com.

(iv) The Stakeholders Relationship Committee Specifically looks into the redressal of Shareholders complaints, transfer of shares and other related matter including Mandatory/ Non-Mandatory Requirements.

17) Secretarial Audit for Reconciliation of Capital:

As stipulated by SEBI, Practicing Company Secretaries carry out Secretarial Audit to reconcile the total issued and listed capital. This audit is carried out every quarter and report thereon is submitted to the Stock Exchange(s) where shares of the Company are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in physical form.

18) Mandatory / Non-Mandatory Requirements

During the year, the Company duly complied with all the mandatory requirements of the revised clause 49 of the Listing agreement.

The Company did not adopt any of non-mandatory requirements of Clause 49 of the Listing Agreement other than constituting the Remuneration Committee.

19) CEO and CFO Certification

As per the clause 49(V) of the Listing Agreement, the CEO i.e. the Managing Director of the Company and the CFO of the Company, certifies the Board regarding the review of the financial statement, compliance with the Accounting Standards, maintenance of the internal control for the Financial Reporting, accounting policies, among others.

20) Declaration for Compliance of Code of conduct

Code of conduct for Board members and Senior Management personnel was approved at the Board meeting held on 20-08-2010.

Company has obtained confirmation for the compliance of code of conduct from all the Board members and senior Management Personnel of the Company on an annual basis.

This is a declaration as required by Circular No. SEBI / CFD/DIL/CG/1/2004/12/10 dated 29th October 2004 – annexure – I – Clause I (D) (II).

FOR AND ON BEHALF OF THE BOARD
FOR GUJCHEM DISTILLERS INDIA LTD.

Place : Ahmedabad
Date : 9th May, 2014

Manish Navnitlal
Managing Director

To,
The Board of Directors
Gujchem Distillers India Limited
Office No. 6, 2nd Floor, National Chambers,
Nr. City Gold, Ashram Road,
Ahmedabad - 380 009.

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and all its Schedules and Notes on Accounts, as well as Cash Flow Statements as at 31st March, 2014 and certify that to the best of our knowledge and belief :
 - (i) These Statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - (ii) These Statements read together present a true and fair view of the Company's Affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. No transactions have been entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
4. We do further certify that there had been :
 - (i) no significant changes in internal control during the year;
 - (ii) no significant changes in accounting policies during the year; and
 - (iii) no instances of significant fraud, of which we are aware during the period.

Place : Ahmedabad
Date : 9th May, 2014

Manish Navnitlal
Managing Director (CEO)

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
GUJCHEM DISTILLERS INDIA LIMITED.

We have examined the compliance of conditions of Corporate Governance by **GUJCHEM DISTILLERS INDIA LTD.** for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the condition of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance(s) is/are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance cum Share Transfer Committee.

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

**FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES**

**Place: Ahmedabad
Date : 9th May, 2014**

**UDAY G. DAVE
Partner
C. P. No.: 7158**

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,
GUJCHEM DISTILLERS INDIA LIMITED.
Office No. 6, 2nd Floor, National Chambers,
Nr. City Gold, Ashram Road,
Ahmedabad -380 009.

We have examined the registers, records, books and papers of GUJCHEM DISTILLERS INDIA LIMITED, (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and Companies Act, 2013 (to the extent of sections made effective from 12th September, 2013), and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31-03-2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act, and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Gujarat.
3. The Company being a Public Limited Company, comments on maximum number of members are not required.
4. The Board of Directors duly met 4 times on (1) 09-05-2013 (2) 08-08-2013 (3) 08-11-2013 and (4) 11-02-2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

The Audit Committee duly met on (1) 09-05-2013 (2) 08-08-2013 (3) 31-10-2013 and (4) 11-02-2014 in respect of which meeting proper notice was given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 09-09-2013 to 12-09-2013

during the year under review and necessary compliance of section 154 of the Act has been made.

6. The Annual General Meeting for the financial year ended on 31-03-2013 was held on 12-09-2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Companies Act, 1956 and section 185 of the Companies Act, 2013 (made effective from 12th September, 2013)
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act, during the year under review.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act, in respect of the contracts falling within the purview of the section 297 of the Act, during the year under review.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approval from the Board of Directors, members or Central Government, during the year under review.
12. The Company has not issued any duplicate share certificates during the year under review.
13. During the year under review:
 - (i) the Company has delivered all the certificates on lodgment there of for transfer /transmission of shares in accordance with the provisions of the Act and there was no allotment of Shares or securities;
 - (ii) the Company was not required to deposit any amount in a separate Bank account as no dividend was declared;
 - (iii) the Company was not required to post warrants to any of its members as no dividend was declared;

- (iv) the Company has not transferred any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no amounts outstanding;
- (v) the Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the year under review.
 15. The Company's Paid-up Share Capital being less than the prescribed limit of Rs. 5 Crores, it is not required to appoint any Managing Director / Whole – time Director / Manager and accordingly provisions of Section 269 of the Act, are not applicable. However company has appointed Shri Manish Navnitlal as the Managing Director.
 16. The Company has not appointed any sole-selling agents during the year under review.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the year under review.
 18. The Directors have disclosed their interest in other firms/ Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The Company has not issued any shares, debentures or other securities during the year under review.
 20. The Company has not bought back any shares during the year under review.
 21. There was no redemption of preference shares or debentures during the year under review.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares during the year under review.
 23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58 A of the Act, during the year under review.
 24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks and others during the year under review is within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act, has been passed at duly convened Annual General Meeting held on 20-09-1991.
 25. During the year under review, the Company has granted loans and made investment in compliance with the provisions of the Act and consequently entries have been made in the register kept for the purpose, and the company has not given guarantees or provided securities to other bodies corporate.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under review.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
 30. The Company has not altered its Articles of Association during the year under review.
 31. There was no prosecution initiated against the Company and no fines or penalties or any punishment was imposed on the Company during the year under review, for offences under the Act.
 32. The Company has not received any money as security from its employees during the year under review.
 33. The Company has not constituted any separate provident fund of employees or any class of employees as envisaged under section 418 of the said Act.

**FOR UMESH PARIKH & ASSOCIATES
COMPANY SECRETARIES**

**Date : 9th May,2014
Place: Ahmedabad**

**UMESH PARIKH
Proprietor
C. P. No.: 2413**

Annexure "A"
List of Registers as maintained by the Company:

Sr.	Name of Registers
1.	Register of Deposit under Section 58A
2.	Register of Transfers under Section 108.
3.	Register of Charges under Section 143.
4.	Register of Members under Section 150.
5.	Copies of Annual Returns under Section 159.
6.	Register of Contracts under Section 301.
7.	Register of Directors under Section 303.
8.	Register of Directors' Shareholding under Section 307.
9.	Register of Investments under Section 372A.
10.	Minutes of the General Meetings and Meetings of Board of Directors under Section 193.
11.	Attendance registers of all the meetings of Board and General Meeting of the Company.

Annexure "B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities for and during the financial year ended on 31-03-2014.

SR. NO	FORM NO./ RETURN	FILED UNDER SECTION	DESCRIPTION	DATE OF FILING	WHETHER FILED WITHIN PRESCRIBED TIME YES/NO	IF DELAY IN FILING WHETHER REQUISITE ADDITIONAL FEE PAID YES/NO
1.	66	383A	Secretarial Compliance Certificate for the financial year ended 31-03-2013.	24-09-2013	Yes	N.A
2.	23AC/ ACA XBRL	220	Annual Report for the financial year ended 31-03-2013.	12-10-2013	Yes	N.A.
3.	20B	159	Annual Return made up to 12-09-2013.	11-11-2013	Yes	N.A.

INDEPENDENT AUDITORS' REPORT

To the Members of Gujchem Distillers India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Gujchem Distillers India Limited** (the 'Company'), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the 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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 read with the General Circular No.15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs with respect to Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances 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 financial statements give the information required by the Companies Act, 1956, 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 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, 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 Companies Act, 1956, we report that:

- a) we have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 read with the General Circular No.15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs with respect to Section 133 of the Companies Act, 2013; and
- e) on the basis of the written representations received from directors of the Company as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274 (1)(g) of the Companies Act, 1956.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W

By the hand of
Milind P. Phadke

Partner
Membership No. 033013

Ahmedabad, 9th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 of our report of even date)

- (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, all the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The Company has not disposed of any substantial part of its fixed assets during the year so as to affect its going concern status.
- (ii)
 - (a) As explained to us, the Company did not carry any inventory during the year. Accordingly, the Clauses 4(ii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iii)
 - (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the Clauses 4(iii) (b), (c) and (d) of the Order are not applicable to the Company.
 - (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies and firms covered in the register maintained under Section 301 of the Companies Act, 1956. The Company has taken an unsecured interest-free loan from a director amounting to Rs. 1.50 lacs and has been repaid during the year. The terms and conditions are prima facie not prejudicial to the interest to the Company. There is no balance outstanding at the year-end.

- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been entered.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contract or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year.
- (vi) In our opinion and according to the information and explanations given to us, during the year the Company has complied with the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. During the year, no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The Company had appointed an independent firm of chartered accountants as internal auditors up till for the year 1993-94. Due to stoppage of the manufacturing activities of the Company, the internal audit function has not been carried out since then.
- (viii) As there are no manufacturing activities carried out during the year, the requirements of the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company.
- (ix) (a) According to the information and explanations given to us, in our opinion, the Company has been regular in depositing undisputed statutory dues including investor education and protection fund, income tax, wealth tax, sales tax, vat, custom duty, excise duty, service tax and cess, wherever applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, customs duty, excise duty, service tax and cess were in arrears, as at 31st March, 2014 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, the following disputed dues have not been deposited since the matters are pending with the relevant forum are:

Nature of Statute	Nature of the dues	Amount (Rs. lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise and Salt Act	Central Excise	16.62	1985-86 & 1986-87	A.O. Central Excise Department

- (x) The accumulated losses of the Company are not more than fifty percent of its net worth. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues to any financial institutions. The Company has not issued any debentures. Accordingly, the Paragraph 4(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the Clause 4(xii) of the Order is not applicable to the Company.

- (xiii) According to the information and explanations given to us, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the Clause 4(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the Clause 4(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company has not availed any term-loan during the year. Accordingly, the Clause 4(xvi) of the Order is not applicable to the Company.
- (xvii) According to the information and explanations given to us and on 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 shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the year. Accordingly, the Clause 4 (xviii) of the Order is not applicable to the Company.
- (xix) The Company has not issued any debentures during the year. Accordingly, the Clause 4(xix) of the Order is not applicable to the Company.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the Clause 4(xx) of the Order is not applicable to the Company.
- (xxi) During the course of our examination of books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Ahmedabad, 9th May, 2014

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
By the hand of
Milind P. Phadke
Partner
Membership No. 033013

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Equity and Liabilities			
Shareholders' funds			
Share capital	3	16,33,545	16,33,545
Reserves and surplus	4	3,58,73,524	3,80,74,300
		<u>3,75,07,069</u>	<u>3,97,07,845</u>
Non-current liabilities			
Long-term provisions	5	6,40,000	4,55,000
		<u>6,40,000</u>	<u>4,55,000</u>
Current liabilities			
Short-term borrowings	6	57,42,928	26,77,916
Trade payables	7	5,35,085	8,17,552
Other current liabilities	8	27,053	1,25,028
Short-term provisions	9	6,44,859	7,89,738
		<u>69,49,925</u>	<u>44,10,234</u>
Total		<u>4,50,96,994</u>	<u>4,45,73,079</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	52,82,061	58,86,804
Non-current investments	11	4,17,000	4,17,000
Long-term loans and advances	12	19,48,298	63,67,298
		<u>76,47,359</u>	<u>1,26,71,102</u>
Current assets			
Current investments	13	6,07,510	5,47,739
Trade receivables	14	2,94,711	2,94,711
Cash and cash equivalents	15	1,68,97,568	1,44,03,704
Short-term loans and advances	16	1,85,91,868	1,49,91,702
Other current assets	17	10,57,978	16,64,121
		<u>3,74,49,635</u>	<u>3,19,01,977</u>
Total		<u>4,50,96,994</u>	<u>4,45,73,079</u>
Significant Accounting Policies	2		
Notes forming part of the financial statements.	3-30		

Notes referred to above form an integral part of the financial statements.

As per our report attached

SHARP & TANNAN

Chartered Accountants
Firm's Registration No. 109982W
By the hand of
Milind P. Phadke
Partner
Membership No. 33013
Place : Ahmedabad
Date : 9th May, 2014

DEVIKA NAVNITLAL
Chairperson
MANISH NAVNITLAL
Managing Director

Place : Ahmedabad
Date : 9th May, 2014

ASHWINI R. DEVPURA
SHASHIKANT D. PANDYA
JAGAT D. SHAH
Directors

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

Particulars	Note No.	2013-14 Rupees	2012-13 Rupees
Continuing Operations			
Other income	18	<u>40,82,031</u>	70,82,943
Total		<u>40,82,031</u>	<u>70,82,943</u>
Expenses			
Employee benefits	19	<u>29,76,183</u>	22,80,315
Finance costs	20	<u>5,09,552</u>	4,06,641
Depreciation and amortisation		<u>6,04,743</u>	6,08,786
Other expenses	21	<u>22,56,320</u>	40,85,083
Total		<u>63,46,798</u>	<u>73,80,825</u>
Profit before tax		<u>-22,64,767</u>	<u>-2,97,882</u>
Tax expense:			
Current tax		-	-
Income tax of earlier years		<u>-63,991</u>	-21,35,769
Total Tax expense		<u>-63,991</u>	<u>-21,35,769</u>
Profit for the year		<u>-22,00,776</u>	<u>18,37,887</u>
Earnings per share (of 10 each):			
Basic and Diluted			
(i) Continuing operations		<u>-13.59</u>	11.35
(ii) Total operations		<u>-13.59</u>	11.35
Earnings per share (excluding extraordinary items) (of 10 each):			
Basic and Diluted			
(i) Continuing operations		<u>-13.59</u>	11.35
(ii) Total operations		<u>-13.59</u>	11.35
Significant Accounting Policies	2		
Notes forming part of the financial statements.	3-30		

Notes referred to above form an integral part of the financial statements.

As per our report attached

SHARP & TANNAN

Chartered Accountants
Firm's Registration No. 109982W
By the hand of
Milind P. Phadke
Partner
Membership No. 33013
Place : Ahmedabad
Date : 9th May, 2014

DEVIKA NAVNITLAL
Chairperson
MANISH NAVNITLAL
Managing Director

Place : Ahmedabad
Date : 9th May, 2014

ASHWINI R. DEVPURA
SHASHIKANT D. PANDYA
JAGAT D. SHAH
Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	2013-14 Rupees	2012-13 Rupees
Cash flows from operating activities		
Net Profit / (Loss) before extraordinary items and tax	-22,64,767	-2,97,882
Adjustments for:		
Depreciation and amortisation	6,04,743	6,08,786
(Profit) / loss on sale / write off of assets	-	-49,987
Finance costs	5,09,552	4,06,641
Interest income	-32,73,358	-53,86,282
Dividend income	-16,868	-6,952
Net (gain) / loss on sale of investments	-47,372	-8,929
Provisions no longer required written back	-22,474	-22,920
Adjustments to the carrying amount of investments	-58,759	1,29,403
Operating profit / (loss) before working capital changes	-45,69,303	-46,28,122
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	-	-34,311
Short-term loans and advances	-1,02,730	35,213
Long-term loans and advances	44,19,000	-2,40,000
Other current assets	4,759	-4,759
	43,21,029	-2,43,857
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	-2,59,993	2,15,090
Other current liabilities	-97,975	-10,43,509
Other long-term liabilities	1,85,000	-
Short-term provisions	4,000	-
	-1,68,968	-8,28,419
Cash flows from extraordinary items	-	-
Cash generated from operations	-4,17,242	-57,00,398
Net income tax (paid) / refunds	4,17,676	15,06,910
Net cash flows from / (used in) operating activities (A)	434	-41,93,488
Cash flows from investing activities		
Proceeds from sale of fixed assets	-	49,999
Proceeds from purchase / sale of current investments (net)	46,360	-1,75,937
Loans given		
- Others	-40,00,000	-80,00,000
Interest received		
- Others	38,74,742	41,09,971
Dividend received		
- Others	16,868	7,742
	-62,030	-40,08,225
Net cash flows from (used in) investing activities	-62,030	-40,08,225

Particulars	2013-14 Rupees	2012-13 Rupees
Cash flows from financing activities		
Proceeds from other short-term borrowings	30,65,012	-11,38,170
Finance cost	-5,09,552	-4,06,641
	25,55,460	-15,44,811
Net cash flows from / (used in) financing activities	25,55,460	-15,44,811
Net increase / (decrease) in Cash and cash equivalents	24,93,864	-97,46,524
Cash and cash equivalents at the beginning of the year	1,44,03,704	2,41,50,228
Cash and cash equivalents at the end of the year (Refer Note 15)	1,68,97,568	1,44,03,704

Note :

1. The Cash flows statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 Cash Flow Statements, as specified in the Companies (Accounting Standards) Rules, 2006.
2. Cash and Cash equivalents represents Cash and bank balances.
3. Figures for the previous year have been regrouped wherever necessary.

Notes referred to above form an integral part of the financial statements.

As per our report attached

SHARP & TANNAN

Chartered Accountants
Firm's Registration No. 109982W

By the hand of
Milind P. Phadke
Partner

Membership No. 33013

Place : Ahmedabad
Date : 9th May, 2014

DEVIKA NAVNITLAL
Chairperson
MANISH NAVNITLAL
Managing Director

ASHWINI R. DEVPURA
SHASHIKANT D. PANDYA
JAGAT D. SHAH
Directors

Place : Ahmedabad
Date : 9th May, 2014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS : 2013-14**1. CORPORATE INFORMATION**

Gujchem Distillers India Limited is a public limited company and is deemed to have been incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the stock exchange. The Company is engaged in the manufacturing and selling of Industrial Alcohol, Acetaldehyde, Acetic Acid and Auxiliaries & Chemicals and also provides services as Commission Agent.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 BASIS OF PRESENTATION :**

The accounts have been prepared using historical cost convention and ongoing concern, with revenues recognized and expenses accounted on accrual including for committed obligations. Insurance and other claims by and against the company are accounted for as and when admitted by the appropriate authorities. Sales include sale of waste and by products also.

Where changes in presentation are made, comparative, figures for the previous year are re-grouped accordingly.

2.2 FIXED ASSETS :

- a) Capitalised at acquisition cost including directly attributable costs such as freight, insurance and specific installation charges for bringing the assets to its working condition for use.
- b) Expenditure relating to existing fixed assets is added to the cost of the assets where it increases the performance / life of the assets as assessed earlier.
- c) Fixed assets are eliminated from financial statements either on disposal or when retired from active use. Generally such retired assets are disposed off soon thereafter.
- d) Pre-operative expenses including interest on specific loans for expansion / new Expenditure projects incurred till the completion of the expansion or new projects are ready for commercial production are capitalised.

2.3 INVESTMENTS:

Long term investments are valued at cost of acquisition.

2.4 INVENTORIES

Inventories are valued at the lower of cost or replacement value after providing for obsolescence and damages.

- a) In the case of raw materials and components cost represents purchase price and other costs incurred for bringing inventories up to their present location and condition as is determined in First in First Out basis.
- b) In the case of work -in -progress and finished goods cost represents cost of raw materials and components added to the cost of conversion such as direct labour, direct expenses, and all the production overheads including depreciation which are specifically attributable to the production.

2.5 RESEARCH AND DEVELOPMENTS:

Expenditure on research and development such as salaries and wages, cost of materials and other costs are charged to Profit & Loss Account in the year in which they are incurred. Depreciation on assets used specifically for development purposes is charged at the rates applicable to similar class of assets.

2.6 EXCISE DUTY:

Excise duty liability accruing on manufacture is accounted for as and when the liability for payment arises under the Central Excise and Salt Act, 1944.

2.7 RETIREMENT BENEFITS:

Provident Fund and Superannuation Contribution are accrued each year in terms of contracts with the employees. Provision for Gratuity is determined and accrued on the basis of actuarial valuation by Life Insurance Corporation of India. Leave encashment benefit to employees has been provided on an estimated basis.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS : 2013-14**2.8 DEPRECIATION:**

- a) Depreciation is provided on fixed assets at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 on a straight line method.
- b) Lumpsum amounts paid for leasehold land are amortised and charged to depreciation over the respective lease period.

2.9 DEFERRED REVENUE EXPENDITURE:

Deferred revenue expenditure pertaining to notice pay and retrenchment compensation is amortised over a period of five years.

2.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions are recognized for liabilities that can be measured by using substantial degree of estimation only if the company has a present obligation as a result of past event and it is probable that there will be outflow of resources to settle the obligation.

Contingent liability is disclosed in case it is not probable that an outflow of resources will be required to settle the present obligation arising from past event or the probability of outflow of resources is remote for a possible obligation.

Contingent Assets are neither disclosed nor recognized.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

2.11 ACCOUNTING FOR TAXES ON INCOME:

Current tax is determined as an amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets arising due to timing differences, being the differences between taxable income and accounting income which originate in one year and are capable of reversal in one year or more subsequent years. Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of their realization.

2.12 IMPAIRMENT OF ASSETS :

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated.

An impairment loss is recognized wherever the carrying amount of an asset or its cash generating units exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow generated from the continuing use of the asset and from its disposal at the end of its useful life discounted to their present values.

The impairment loss is reversed if there has been a change in the estimates made to determine and recognize the recoverable amount in the earlier year.

2.13 INTANGIBLE ASSETS AND AMORTISATION :

Intangible assets are recognized as per the criteria specified in Accounting Standard (AS)26 Intangible Assets and are amortised as follows :

Leasehold land : Over a period of lease
Other intangible assets : Over a period of five years

2.14 BORROWING COSTS :

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period over twelve months of time to get ready for its intended use or sale.

All other borrowing costs are recognized as expense in the period in which they are incurred.

Notes forming part of the Financial Statements : 2013-14

Particulars	As at 31-3-2014 Rupees	As at 31-3-2013 Rupees
3. Share Capital		
Authorised :		
96,00,000 Equity Shares of Rs.10 each	9,60,00,000	9,60,00,000
15,000 11 % Cumulative Redeemable Preference Shares of Rs.100 each - First Issue	15,00,000	15,00,000
20,000 11 % Cumulative Redeemable Preference Shares of Rs.100 each - Second Issue	20,00,000	20,00,000
50,000 Unclassified Shares of Rs.10 each	5,00,000	5,00,000
	<u>10,00,00,000</u>	<u>10,00,00,000</u>
Issued, Subscribed and Called up and Paid Up :		
1,61,885 Equity Shares of Rs.10 each fully paid up	16,18,850	16,18,850
	<u>16,18,850</u>	<u>16,18,850</u>
Add : Forfeited shares	14,695	14,695
	<u>16,33,545</u>	<u>16,33,545</u>

Reconciliation of the shares outstanding at the beginning and end of the reporting year

	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	Rupees	No. of Shares	Rupees
Equity Shares				
At the beginning of the year	1,61,885	16,18,850	1,61,885	16,18,850
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>1,61,885</u>	<u>16,18,850</u>	<u>1,61,885</u>	<u>16,18,850</u>

Terms / Rights attached to Equity Shares

The company has only one class of Equity Shares having a par value of Rs. 10 each. Each shareholder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares would be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of Shareholders holding more than 5% shares in the Company

	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% Holding	No. of Shares	% Holding
Devikaben Navnital Patel	10,028	6.19%	10,028	6.19%
Manishbhai Navnital Patel	61,727	38.13%	61,727	38.13%

Note :

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

Notes forming part of the Financial Statements : 2013-14

Particulars	As at 31-3-2014 Rupees	As at 31-3-2013 Rupees
4. Reserves and Surplus		
Investment Reserve		
As per the last balance sheet	9,972	9,972
Deducted as per Contra	<u>9,972</u>	<u>9,972</u>
	-	-
Capital Reserve		
As per the last balance sheet	<u>1,71,30,990</u>	1,71,30,990
Closing balance	<u>1,71,30,990</u>	1,71,30,990
Surplus in the Statement of Profit and Loss		
As per the last balance sheet	2,09,43,310	1,91,05,423
Transferred from Capital Reduction Account	-	-
Profit for the year	<u>-22,00,776</u>	18,37,887
Net surplus in the Statement of profit and loss	<u>1,87,42,534</u>	<u>2,09,43,310</u>
	<u>3,58,73,524</u>	<u>3,80,74,300</u>
5. Long Term Provisions		
Provision for leave encashment	<u>6,40,000</u>	4,55,000
	<u>6,40,000</u>	<u>4,55,000</u>
6. Short-Term Borrowings		
Overdraft facilities from bank	<u>57,42,928</u>	26,77,916
	<u>57,42,928</u>	<u>26,77,916</u>
Overdraft facilities from Bank is taken during the year and carries interest rate 9.75% to 11.25% p.a. The loan is repayable on demand. The loan is secured by lien on fixed deposits of the Company.		
7. Trade Payables		
Trade payables	<u>5,35,085</u>	8,17,552
	<u>5,35,085</u>	<u>8,17,552</u>
8. Other Current Liabilities		
Statutory liabilities	<u>27,053</u>	1,25,028
	<u>27,053</u>	<u>1,25,028</u>
9. Short-Term Provisions		
Provision for taxation	6,28,859	7,77,738
Provision for bonus	<u>16,000</u>	12,000
	<u>6,44,859</u>	<u>7,89,738</u>

Notes forming part of the Financial Statements : 2013-14
10. Fixed Assets

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1.4.2013 Rs.	Addi- tions Rs.	Deduc- tions Rs.	As at 31.3.2014 Rs.	Up to 31.3.2013 Rs.	For the Year Rs.	Deduc- tions Rs.	Up to 31.3.2014 Rs.	As at 31.3.2014 Rs.	As at 31.3.2013 Rs.
Tangible Assets										
Land *	63,800	-	-	63,800	-	-	-	-	63,800	63,800
Building * (a)	8,49,384	-	-	8,49,384	4,44,906	13,844	-	4,58,750	3,90,634	4,04,478
Plant and machineries*	77,48,775	-	-	77,48,775	76,76,658	19,521	-	76,96,179	52,596	72,117
Furniture and fixtures*	6,97,053	-	-	6,97,053	6,71,568	1,829	-	6,73,397	23,656	25,485
Office equipments	1,84,186	-	-	1,84,186	74,116	15,986	-	90,102	94,084	1,10,070
Vehicles	58,26,978	-	-	58,26,978	6,16,124	5,53,563	-	11,69,687	46,57,291	52,10,854
Total	1,53,70,176	-	-	1,53,70,176	94,83,372	6,04,743	-	1,00,88,115	52,82,061	58,86,804

*Includes assets retired from active use
83,94,059 - - **83,94,059** 79,82,602 28,357 - **80,10,959** **3,83,100** 4,11,457

(a) includes cost of ownership flats in a co-operative societies Rs.2,35,052 .

Particulars	As at 31-3-2014 Rupees	As at 31-3-2013 Rupees
11. Non Current Investments		
Trade Investments (Unquoted - At cost)		
32,500 Equity shares of Rs.10 each of Gujarat Alcohol and Allied Chemicals Private Limited.	3,25,000	3,25,000
Non-trade Investments (Unquoted)		
Equity Shares (Fully paid up - At cost)		
10 shares of Rs.100 each of Baroda Chemical Industries Limited	972	972
90 shares of Rs.100 each of Kaveri Engineers Limited	9,000	9,000
	9,972	9,972
Less : Deducted as per contra	9,972	9,972
	-	-
5 shares of Rs.50 each of Sukh Shanti Co-operative Housing Society Ltd.	250	250
1,080 shares of Rs.25 each of Co-operative Bank of Ahmedabad Ltd.	27,000	27,000
850 shares of Rs.25 each of Nutan Nagrik Sahakari Bank Limited	21,250	21,250
600 shares of Rs.25 each of Kalupur Commercial Co-operative Bank Ltd.	15,000	15,000
100 shares of Rs.10 each of The Kapole Commercial Co-operative Bank Limited	1,000	1,000
1,100 shares of Rs.25 each of Textile Traders Co-operative Bank Limited	27,500	27,500
	4,17,000	4,17,000
Aggregate of Unquoted Investments - Book Value	4,17,000	4,17,000
12. Long-Term Loans and Advances (Unsecured, considered good)		
Capital advances	10,00,000	55,00,000
Balance with excise authorities	2,28,333	2,28,333
Loans to staff	3,21,000	2,40,000
Security deposits	3,98,965	3,98,965
	19,48,298	63,67,298

Notes forming part of the Financial Statements : 2013-14

Particulars	As at 31-3-2014 Rupees	As at 31-3-2013 Rupees
13. Current Investments		
Units of Mutual Funds (Unquoted)		
68.438 Units of Franklin Templeton Investments, Templeton India Short Term Income Retail Plan - Monthly Dividend Payout Scheme	74,276	74,276
Nil (P.Y.1466.9927) Units of DSP Black Rock World Energy Fund Regular Plan - Dividend	-	15,000
Other Investments (Unquoted)		
Government Securities :		
Rs.2,000 12 Years National Defence Certificate (deposited as security deposit with central excise, matured but not encashed)	2,000	2,000
Rs.6,000 7 Years National Savings Certificate (deposited as security deposit with central excise, matured but not encashed)	6,000	6,000
Rs.5,000 6 Years National Savings Certificate (deposited as security deposit with sales tax authorities, matured but not encashed)	5,000	5,000
Equity Shares (Fully paid up - At cost) - Quoted		
350 (P.Y. 500) Shares of Tata Steel Ltd. of Rs. 10 each	1,22,660	1,89,849
900 (P.Y. 500) Shares of Atlas Cycle Industries Ltd. of Rs. 10 each	2,73,115	1,81,619
500 (P.Y. 1250) Shares of Hindalco Industries Ltd. of Rs. 1 each	50,411	1,40,559
750 (P.Y. 750) Shares of L&T Finance Holdings Ltd. of Rs. 10 each	62,839	62,839
1500 (P.Y. Nil) Shares of Sintex Industries Ltd. of Rs. 10 each	30,074	-
980 (P.Y. Nil) Shares of Essar Oil Ltd. of Rs. 10 each	51,779	-
	<u>5,90,878</u>	<u>5,74,866</u>
Less : Diminution in value of investments	<u>70,644</u>	<u>1,29,403</u>
	<u>5,20,234</u>	<u>4,45,463</u>
	<u>6,07,510</u>	<u>5,47,739</u>
Aggregate of Quoted Investments - Market Value	5,94,486	4,45,463
Aggregate of Quoted Investments - Book Value	5,90,878	5,74,866
Aggregate of Unquoted Investments - Book Value	87,276	1,02,276
14. Trade Receivables		
Trade Receivables (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	2,94,711	2,94,711
Considered doubtful	-	-
Other debts, considered good	-	-
	<u>2,94,711</u>	<u>2,94,711</u>

Notes forming part of the Financial Statements : 2013-14

Particulars	As at 31-3-2014 Rupees	As at 31-3-2013 Rupees
15. Cash and Cash Equivalents		
Balance with banks in current accounts	65,46,730	40,28,103
Balance with banks in fixed deposit accounts		
Deposits with maturity for more than 12 months	-	-
Deposits with maturity for more than 3 months but less than 12 months	1,00,00,000	1,00,00,000
Cash on hand	3,50,838	3,75,601
	<u>1,68,97,568</u>	<u>1,44,03,704</u>
Balance with banks in fixed deposit accounts with a carrying amount of Rs. 1,00,00,000 (P.Y. 75,00,000) are subject to first charge to secure the Company's borrowings.		
16. Short-Term Loans and Advances (Unsecured, considered good)		
Tax deducted at source	16,59,724	21,62,288
Loans	55,00,000	25,00,000
Inter corporate deposits	1,10,00,000	1,00,00,000
Advances recoverable in cash or in kind or for value to be received	432,144	3,29,414
	<u>1,85,91,868</u>	<u>1,49,91,702</u>
17. Other Current Assets		
Interest accrued but not due	10,57,978	16,59,362
Other receivable	-	4,759
	<u>10,57,978</u>	<u>16,64,121</u>
	2013-2014	2012-2013
	Rupees	Rupees
18. Other Income		
Commission income	-	9,47,873
(including T.D.S. of Rs. Nil (P.Y. Rs 103,072)		
Interest on bank deposits and other interest	31,79,760	30,40,951
(including T.D.S. Rs. 275,693 (P.Y. Rs.280,611))		
Dividend income	16,868	6,952
Rent	6,60,000	6,60,000
Interest on income tax refunds	93,598	23,45,331
Profit on sale of investments	47,372	8,929
Profit on sale of fixed assets	-	49,987
Provisions no longer required written back	81,233	22,920
Miscellaneous Income	3,200	-
	<u>40,82,031</u>	<u>70,82,943</u>
19. Employee Benefit Expenses		
Salaries, wages, bonus and allowances	21,88,000	18,50,500
Contribution to provident fund	1,95,840	1,64,338
Contribution to employees state insurance scheme	-	6,840
Contribution to gratuity / superannuation fund	2,40,831	1,70,598
Leave encashment	1,85,000	-
Staff welfare expenses	1,66,512	88,039
	<u>29,76,183</u>	<u>22,80,315</u>

Notes forming part of the Financial Statements : 2013-14

	2013-2014	2012-2013
	Rupees	Rupees
20. Finance Costs		
Interest		
On borrowings	5,07,502	3,95,113
Others	2,050	11,528
	5,09,552	4,06,641
21. Other Expenses		
Rates, taxes & insurance	2,99,059	1,06,846
Directors' travelling expenses	93,655	1,90,106
Auditors' remuneration :		
Audit fees	40,000	40,000
Tax audit fees	-	20,000
Certification fees	10,500	14,071
	50,500	74,071
Advertisement	82,845	52,682
Office and general expenses	1,55,969	1,96,465
Commission	-	42,500
Legal fees expenses	19,154	2,95,000
Professional and consulting fees	8,21,392	9,17,802
Printing and stationery	42,506	40,625
Post, telegram and telephone	81,007	77,866
Travelling and conveyance	3,36,756	3,38,290
Electricity	10,426	11,154
Repairs and maintenance	3,030	1,58,927
Listing and Registration fees	27,741	13,00,259
Miscellaneous expenses	2,32,280	1,53,087
Provision for diminution in value of investments	-	1,29,403
	22,56,320	40,85,083
22. Claims against the Company not acknowledge as debts :		
	31-03-2014	31-03-2013
	Rupees	Rupees
a) By certain customers for price difference on sales	40,47,343	40,47,343
b) Stamp Duty on immovable properties	4,28,697	4,28,697
23. Contingent liability not provided for on account of:		
i) Excise Duty disputed by the Company pending disposal	16,62,494	16,62,494
ii) Back wages and reinstatement demand made by certain dismissed workers at Ankleshwar factory, pending adjudication.	Amount not Ascertainable	Amount not Ascertainable
24. Remuneration to Managing Directors charged to accounts including perquisites as per Income Tax Rules where applicable (Remuneration has been paid as minimum remuneration in accordance with the provisions of schedule XIII of the Companies Act, 1956.)	24,16,272	19,14,454
25. As at 31st March, 2014 , there are no amounts outstanding in respect of suppliers registered as Micro, Small and Medium Enterprises.		
26. The Company is primarily engaged in business of manufacturing and selling of Industrial Alcohol, Acetaldehyde, Acetic Acid and Auxiliaries & Chemicals. Since the inherent nature of activities as a		

Notes forming part of the Financial Statements : 2013-14

whole are governed by the same set of risk and returns these have been grouped as a single segment, the results of which are reflected in the financial statements. The said treatment is in accordance with the Accounting Standard (AS) 17 Segment Reporting .

27. Related Party Disclosures
(a) Relationship :
i. Key Management Personnel :

Manish Navnitlal Patel – Managing Director (Also controls majority of voting powers of the Company)

ii. Relatives of Key Management Personnel :

Devika Navnitlal Patel (Mother), Hem Manish Patel (Wife), Bela Sandip Jhaveri (Sister), Chaula Navnitlal Patel (Sister) and Hemangini Sameer Sinha (Sister)

iii. Enterprises over which key management personnel alongwith relatives is able to exercise significant influence :

Gujarat Alcohol and Allied Chemicals Pvt. Ltd. / Mahalaxmi Trading Agency.

(b) Transactions :

Details of aggregate of transactions with the related parties referred to in (a) above :-

Type of Transactions	Referred to in (a) (i) above	Referred to in (a) (ii) above	Referred to in (a) (iii) above
Remuneration (including contribution towards provident fund, superannuation fund and leave salary)	24,16,272	-	-
Unsecured Loans taken and repaid during the year	1,50,000	-	-
Outstanding balances at the close of the year :			
Amounts due on account of remuneration	-	-	-
As unsecured loans – taken	-	-	-
Loans & advances – Receivables	-	-	-

28. Net deferred tax assets, mainly representing past losses and unabsorbed depreciation, have not been recognized following the principles of prudence due to uncertainty of the quantum of future profits in terms of Accounting Standard (AS) 22 Accounting for taxes on income.

29. Earning per share :

	2013-14 Rupees	2012-13 Rupees
Profit / (-) Loss for the Year	(22,00,776)	18,37,887
Weighted average No. of shares outstanding during the year	1,61,885	1,61,885
Nominal value of shares	10	10
Basic / Diluted Earning Per share before extra ordinary items	(13.59)	11.35
Basic / Diluted Earning Per share after extra ordinary items	(13.59)	11.35

30. Figures for the previous year are re-grouped wherever necessary.

Signatures to Note 1 to 30

SHARP & TANNAN

Chartered Accountants
Firm's Registration No. 109982W
By the hand of
Milind P. Phadke
Partner
Membership No. 33013
Place : Ahmedabad
Date : 9th May, 2014

DEVIKA NAVNITLAL
Chairperson
MANISH NAVNITLAL
Managing Director

Place : Ahmedabad
Date : 9th May, 2014

ASHWINI R. DEVPURA
SHASHIKANT D. PANDYA
JAGAT D. SHAH
Directors

Gujchem Distillers India Limited

Regd Office: Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad- 380009
CIN : L24230 GJ1939PLC002480

PROXY FORM

FORM NO. MGT-11

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule 2014)

CIN : L24230 GJ1939PLC002480
Name of the Company : Gujchem Distillers India Limited
Registered Office : Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad- 380009
Name of the member(s) : _____
Registered Address : _____
E-mail ID : _____
Folio No./Client ID/DPID : _____

I/We being the member(s) of _____ shares of the above named Company, hereby appoint :

1. Name : _____
Address : _____
E-mail ID: _____ Signature _____ or failing him
2. Name : _____
Address : _____
E-mail ID: _____ Signature _____ or failing him
3. Name : _____
Address : _____
E-mail ID: _____ Signature _____ or failing him

As my /our proxy to attend and vote (on a poll) for me/us and on my behalf at the Annual General Meeting of the Company to be held on Tuesday the 30th September, 2014 at 4.00 p.m. at the Registered Office of the Company at "Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad – 380009 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of Financial Statements for the year ended 31st March, 2014 and the Directors' and Auditors' Report.
2. Re-Appointment of Smt. Devika Navnitlal as a Director of the Company.
3. Re-appointment of M/s. Sharp & Tannan, Chartered Accounts, as a Statutory Auditors of the Company and fix their remuneration.

Special Business:

4. Appointment of Shri Jagat D. Shah as an Independent Director.
5. Appointment of Shri Shashikant D. Pandya as an Independent Director.
6. Appointment of Shri Ashwini R. Devpura as an Independent Director.

Signed this _____ day of _____ of 2014

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder(S)

Note : 1. 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.

Gujchem Distillers India Limited

Regd Office: Office No.6, 2nd Floor, National Chambers, Nr. City Gold, Ashram Road, Ahmedabad- 380009
CIN : L24230 GJ1939PLC002480

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I hereby record my presence at the Annual General Meeting of the Company at the Registered Office of the Company on Tuesday, the 30th September, 2014 at 4.00 p.m.

Full name of the Member attending: _____
Folio No. _____ DP ID No. _____ Client ID NO. _____ No. of shares held _____
Full name of the Proxy : _____
Member's /Proxy's Signature: _____

To,

If undelivered, please return to :

GUJCHEM DISTILLERS INDIA LIMITED

Registered Office

Office No. 6, 2nd Floor, National Chambers, Nr. City Gold,
Ashram Road, Ahmedabad-380009

Phone: +91 7926580893

(CIN: L24230GJ1939PLC002480)

E-mail : gujcheminvestors@gmail.com

Web : gujchemdistillers.com

GUJCHEM DISTILLERS INDIA LIMITED
(CIN: L24230GJ1939PLC002480)



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Directors

SMT. DEVIKA NAVNITLAL, Chairperson
SHRI MANISH NAVNITLAL, Managing Director
SHRI JAGAT D. SHAH, Director
SHRI SHASHIKANT D. PANDYA, Director
SHRI ASHWINI R. DEVPURA, Director

Auditors

SHARP & TANNAN
Chartered Accountants

Bankers

DENA BANK

Registered Office

Office No. 6, 2nd Floor,
National Chambers,
Nr. City Gold, Ashram Road,
Ahmedabad-380009
Phone: +91 7926580893
E-mail : gujcheminvestors@gmail.com
(CIN: L24230GJ1939PLC002480)

**Registrar and
Share Transfer Agent**

Sharepro Services (India) Pvt. Ltd.
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyas Ashram, Ellisbridge,
Ahmedabad - 380 006.
Phone : 079-26582381

