

12th ANNUAL REPORT 2005-2006

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ANS AGRO INDUSTRIES LIMITED.



ANS AGRO INDUSTRIES LTD.

BOARD OF DIRECTORS

Sh. Mehinder Sharma

Managing Director

Sh. S.R. Sahore

Director

Sh. Mahesh Sharma

Director

Sh R.C.Sharma

Director

COMPANY SECRETARY

Sh. Deepak Goyal

REGD. OFFICE & WORKS

136 K.M., Village & P.O. Shamgarh,
Distt. Karnal, Haryana

HEAD OFFICE

144/2, Ashram, Mathura Road,
New Delhi – 110014

BANKERS

Canara Bank

Malviya Nagar.

New Delhi-110017

AUDITORS

Gaur V.K. & Company

Chartered Accountants

2140/5, Street No. 2, Rajguru Road,
Paharganj, New Delhi – 110055



ANS AGRO INDUSTRIES LTD.

NOTICE

Notice is hereby given that the 12th Annual General Meeting of the Company will be held at the Registered Office of the Company at Village Shamgarh, Distt, Karnal, Haryana on Wednesday, the 20th Day of September 2006 at 11:30 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2006 and Profit & Loss account for the period ended on that date along with the Auditor's Report & the Directors' Report thereon.
2. To appoint a director in place of Mr. Mahesh Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

4. To appoint Mr R.C. Sharma, a director of the Company, who vacates his seat at this Annual General Meeting and if thought fit, to pass the following ordinary resolution of which the prescribed notice has been received by the company, the candidate having filed with the company, his consent to act as a Director, if appointed:

"RESOLVED" that pursuant to the provisions of Section 257 of the Companies Act, 1956, Mr R.C Sharma, be and is hereby appointed a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

By order of the Board of Directors

For **ANS Agro Industries Ltd**

Place: New Delhi

Dated: 23rd August, 2006

Mehinder Sharma
(Managing Director)



ANS AGRO INDUSTRIES LTD.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy forms should be lodged at the registered office of the company at least 48 hours before meeting.
2. The members are requested to notify immediately any change in their registered address to the Company.
3. The register of Members & Share Transfer Books of the company will remain closed from 17th September, 2006 to 20th September, 2006 (both days inclusive).
4. Member / Proxies should bring the attendance slip duly filled in for attending the meeting.
5. Members are requested to bring their copies of Annual Report to the meeting.

Explanatory Statement under Section 173(2) of the Companies Act, 1956

Mr. R. C. Sharma was appointed as Additional Director of the Company with effect from the 22nd March 2006 and vacates his seat at this Annual General Meeting, pursuant to section 260 of the Companies Act, 1956 and Articles of Association of the Company. A notice under section 257 of the said Act has been received from a member signifying his intention to propose the name of Mr. R.C. Sharma for appointment as a Director of the company. Mr. R. C Sharma has filed with the company his consent to act as a Director.

The Directors recommend his appointment as a member of the Board in the interest of the Company.

By order of the Board of Directors
For ANS Agro Industries Ltd

Place: New Delhi

Dated: 23rd August, 2006

Mehinder Sharma
(Managing Director)



ANS AGRO INDUSTRIES LTD.

DIRECTORS' REPORT

Dear Shareholder,

Your Directors are pleased to present the Annual Report and Audited Accounts for the financial year ended 31st March 2006.

FINANCIAL RESULTS

	CURRENT YEAR (2005-06) (Rs. In Lakhs)	PREVIOUS YEAR (2004-05) (Rs. In Lakhs)
Sales and Other Income	672.17	255.68
Profit/(Loss) before interest	502.41	(3.12)
Depreciation and Tax		
Interest	NIL	NIL
Depreciation	59.71	98.48
Provision for taxation		
Net Profit/(Loss) for the year	502.41	(3.12)
Debit balance in Profit & Loss		
Account brought forward		
From previous year	996.25	993.12
Debit balance carried forward to		
Balance Sheet	494.05	996.25

OPERATIONS

The Company has purchased (through agreement to sell) Plant & Machinery and Building of Karnal Agro Industries, Karnal in the Month of April, 2005.

Your Company has recovered from losses and has made a profit of Rs 502.41 lacs on 31st March, 2006 compared to the loss of Rs 3.12 lacs during the previous year. The accumulated losses of your Company were Rs 494.05 lacs on 31st March, 2006 as compared to Rs.996.25 lacs on 31st March, 2005.

Your Company is having some big projects in hand and your Company continued to strengthen its position in its line of business. Your Company has commenced a new business of Construction at Dahej, Gujarat



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DIVIDEND

The Board of Directors has decided not to recommend any dividend with a view to conserve resources.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm and state that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year March 31, 2006 and of the profit and loss of the company for that period;
- 3) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) That the directors had prepared the annual accounts on a going concern basis.

DISCLOSURE UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY

The company is making efforts to reduce its dependence on State Electricity power supply.

B. TECHNOLOGY ABSORPTION

The Company is making efforts for absorption of sophisticated technology.

C. FOREIGN EXCHANGE EARNING AND OUTGO

During the year there are no earnings and outgo of foreign exchange as already given in notes on Accounts.



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PARTICULARS OF EMPLOYEES

There are no persons employed in the Company during the year or for part of the year who were in receipt of remuneration exceeding the sums prescribed under the provisions of Section 217(2A) of the Companies Act, 1956.

AUDITORS

M/s.Gaur V.K. & Company, Chartered Accountants, the Auditors of the Company, retire at the close of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your Directors recommend their appointment.

AUDITOR'S REPORT

As regards Auditor's report there is no adverse comments and hence no explanations are required.

LISTING

The equity shares of your Company are currently listed at Delhi, Mumbai, Ludhiana and Jaipur Stock Exchange only. The Company has paid all the arrears of listing fees pending with BSE and now there are no arrears of listing fees with BSE. The Company has also requested for delisting of securities with Stock Exchange at Delhi, Ludhiana and Jaipur.

APPOINTMENT OF REGISTRAR & TRANSFER AGENT

M/s MAS Services Private Limited has been appointed as a Registrar & Transfer Agent of your Company as per the terms and conditions as specified in the agreements dated 01/05/2006 signed and executed between the Company and RTA.

FIXED DEPOSITS

The Company has not taken any fixed deposits from the public and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

CHANGE IN REGISTERED OFFICE

The registered office of the Company has been shifted from Village & P.O. Rathadhana, Sonapat, Haryana to Village & P.O. Shamgarh, Karnal, Haryana as per the resolution passed by Postal Ballot and as per the report submitted by scrutinizer.



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CORPORATE GOVERNANCE

Auditors Certificate on compliance with the conditions of Corporate Governance and separate reports on Corporate Governance and Management Discussion and Analysis are enclosed as Annexure – A and B respectively.

COMMENCEMENT OF NEW BUSINESS

Your Company has commenced a new business of Construction as per the resolution passed by Postal Ballot. Presently a contract has been obtained for the work at Dahej, Gujarat.

DIRECTORS

Mr Mahesh Sharma is due for retirement by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

ACKNOWLEDGEMENTS

Your Directors would like to express their gratitude to the Shareholders, bankers and customers for their support and cooperation. They wish to thank all the employees of the Company for their sincere and dedicated services.

By order of the Board of Directors

For ANS Agro Industries Ltd ;

Mehinder Sharma, S.R.Sahore

(Managing Director) (Director)

Date: 23rd August, 2006

Place: New Delhi



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ANNEXURE- A

REPORT ON CORPORATE GOVERNANCE

Compliance with Clause 49 of the Listing Agreement

ANS Agro Industries Limited's shares are listed in four Stock Exchanges in India. Clause 49 of the listing agreement entered into with the stock exchanges sets out conditions of corporate governance which the listed companies are required to comply with. The Company is in compliance with these conditions and details of such compliance are furnished hereunder:

1. Philosophy on Code of Corporate Governance

ANS Agro Industries limited's principles on Corporate Governance practices are based on high standard of "universally acceptable" ethical values and disciplined approach. The policies, procedures and practices that are installed in the organization ensure requisite care and diligence in functioning as well as providing transparencies and accountability for performance thereby enhancing shareholders and other stakeholders' value and safeguarding their interest.

2. Board of Directors

1. Board Composition

As at March 31, 2006 the Board consisted of four members. The composition and category of directors on the Board of the Company were as under:

Managing Director	Shri Mehinder Sharma
Non-Executive Director	Shri S R. Sahore
Independent Director	Shri Mahesh Sharma
Independent Director	Shri R.C. Sharma

2. Board Meetings

The Board held its meetings on 6th April, 29th June, 20th July, 26th October, 22nd December, all in 2005 and 25th January, 1st February, 27th February and 22nd March in 2006.

The minutes of the board meetings disclose the timing and duration of the meeting.



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3. Attendance of Directors

The overall attendance of Directors was as follows:

Directors	Meeting held during the tenure of Directors	Meeting Attended	Attendance at the last AGM
Sh. Mehinder Sharma	9	9	YES
Sh S R. Sahore	9	9	YES
Sh Mahesh Sharma	9	5	YES
Sh R.C. Sharma	1	1	NO

4. Other Directorships

None of the Directors hold Directorship in more than 15 companies.

Name of Directors	Number of other Directorships	Membership	Chairmanship
Sh. Mehinder Sharma	2	NIL	1
Sh S R. Sahore	NIL	3	NIL
Sh Mahesh Sharma	1	3	NIL
Sh R.C. Sharma	NIL	1	NIL

5. Membership of Board Committees:

No Director holds membership of more than 10 Committees of Boards, nor any Director a Chairman of more than 5 Committees of Boards

6. Details of Directors

The brief resumes of all Directors are furnished hereunder:

Shri Mehinder Sharma, aged about 47 years, and a graduate & MBA from Delhi University and Managing Director of ANS Constructions Ltd. He is an eminent industrialist having vast industrial experience in diverse fields like real estate, construction etc.

Shri S.R. Sahore, aged about 69 years, IIT graduate in Mechanical Engineering and having vast experience in his profession. He was Executive Director in IFFCO and also