



13th
ANNUAL REPORT
1999 - 2000

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GSAL

GSAL (INDIA) LIMITED

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BOARD OF DIRECTORS

Sri. C.V. HANUMANTHA RAO	Director
Dr. J. BAPU REDDY	Director (Nominee of APIDC)
Sri. K. RAVINDRAN	Director (Nominee of IDBI)
Sri. K. P. PATNAIK	Director (Tech)
Sri. M. RADHAKRISHNA	Director (Fin.)
Sri. N. KRISHNA MOHAN	Managing Director

AUDITORS

M/s. N. LAKSHMINARAYANA
ASSOCIATES
Chartered Accountants
7 & 8 Suryalok Complex,
Gunfoundry
Hyderabad - 500 001.

BANKERS

State Bank of India
Bank of Baroda
State Bank of Hyderabad

REGISTERED OFFICE

6-3-802, Ameerpet,
Hyderabad - 500 016.

WORKS

Sreerampuram
L. Kota Mandal
Vizianagaram District
Andhra Pradesh

ADMINISTRATIVE OFFICE

6-3-668/10/66, Durganagar Colony,
Punjagutta, Hyderabad - 500 082.

SHARE TRANSFER AGENTS

SIDVIN FINANCIAL CONSULTANCY SERVICES PRIVATE LTD.

Sidvin Chambers, 6-3-802,
Ameerpet, Hyderabad - 500 016.





NOTICE TO SHAREHOLDERS

Notice is hereby given that the 13th Annual General Meeting of the Members of the Company will be held on 30th November 2000 at 11-00 a.m. at Sri Rajarajeswari Kalyana Mandapam, Hanuman Temple, Ameerpet, Hyderabad - 500 016. to transact the following Business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account for the 18 months period from 01-01-1999 to 30-06-2000 and the Balance Sheet as on that date and the Auditors and Directors Report thereon.
2. To appoint a Director in place of Sri C.V. Hanumantha Rao, who retires by rotation and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s. Laxminarayana Associates, Chartered Accountants, Hyderabad, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such a remuneration as may 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 Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, Mr. K.P. Patnaik be and is hereby appointed as "Director (Technical)" for a period of 5 years with effect from 01-10-2000 on the following terms and conditions, subject to the approval of the Financial Institutions and the Shareholders of the Company in the ensuing Annual General Meeting :

Basic	:	Rs. 15,000/- per Month
HRA	:	Rs. 5,000/- per Month
Reimbursement of expenses incurred on books and periodicals, etc.	:	Rs. 5,000/- per Month

PERQUISITES :

- i) Telephone at the Residence.
- ii) Drivers Salary and petrol expenses incurred by him for his car for the Company's work shall be reimbursed.

"FURTHER RESOLVED THAT Mr. N. Krishna Mohan, Managing Director of the Company, be and is hereby authorised to file necessary forms with the Registrar of Companies and take such other steps as may be required to give effect to the above resolution."

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 Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with schedule XIII to the Companies Act, 1956, Mr. M. Radhakrishna be and is hereby appointed as "Director (Finance)" for a period of 5 years with effect from 18-09-2000 on the following terms and conditions, subject to the approval of the Financial Institutions and Shareholders of the Company in the ensuing Annual General Meeting :

Basic	:	Rs. 15,000/- per Month
HRA	:	Rs. 5,000/- per Month
Reimbursement of expenses incurred on books and periodicals, etc.	:	Rs. 5,000/- per Month

"FURTHER RESOLVED THAT Mr. N. Krishna Mohan, Managing Director of the Company, be and is hereby authorised to file necessary forms with the Registrar of Companies and take such other steps as may be required to give effect to the above resolution".

By order of the Board of Directors
for GSAL (India) Limited

Place : Hyderabad
Date : 18-09-2000

N. Krishna Mohan
Managing Director

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and a proxy need not be a member. The instrument of proxy should however be deposited at the registered office / Share transfer agents of the company not less than 48 Hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 27-11-2000 to 30-11-2000 (both days inclusive).
3. Members are advised to bring their copies of Annual Reports to the Meeting Hall as there will be no supply of additional copies.
4. Members are requested to notify immediately any change in their address to the Company / Share Transfer Agents.
5. The Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of item Nos. 4&5, as set above is enclosed.





ANNEXURE TO THE NOTICE :

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 4.

Sri K. P. Patnaik was appointed as Director (Technical) for a period of 5 years with effect from 01-10-2000 at the meeting of the Directors held on 18-09-2000, subject to the approval of the Financial Institutions and the Shareholders of the Company.

Item No. 5.

Sri M. Radhakrishna is appointed as Director (Finance) for a period of 5 years with effect from 18-09-2000 at the meeting of the Directors held on 18-09-2000, subject to the approval of the Financial Institutions and the Shareholders of the Company.

By order of the Board of Directors
for GSAL (India) Limited

Place : Hyderabad
Date : 18-09-2000

N. Krishna Mohan
Managing Director





DIRECTORS REPORT

Dear Share Holders,

Your Directors have pleasure in presenting you the 13th Annual Report together with the Audited Statement of Accounts for the 18 months period ended on 30th June, 2000

Operations :

As the members are aware, due to lack of working capital from the commercial Banks, the Company's operations have been suspended during the year under review and as such, there is no production nor despatches during the current year.

Financial Results :

Due to closure of operations, the company incurred a loss of Rs. 663 lakhs during the year under review before providing for depreciation and interest. The Company has been registered with the BIFR under Section 15(1) SiCA, 1985, vide Registration No. 59/99. IDBI has been appointed as Operating Agency (OA) and a direction has been given by the Hon'ble Members of the BIFR at the meeting held on 6-7-1999 that OA should release an advertisement inviting offers from resourceful groups for association or change of management and the Promoters are also required to submit their proposal. Accordingly, advertisement has been released and OA is reviewing the situation.

Future Prospects :

The untiring efforts of Managing Director of the Company to get suitable working capital from the Financial Institutions have started showing positive results and it is earnestly hoped that the funds will be released by the Financial Institutions shortly to enable the Company to re-start its operations.

Directors :

During this period Dr. N. Kondal Rao resigned from the Board on personal grounds. Your Directors place on record their appreciation of valuable services rendered by Dr. N. Kondal Rao as Chairman of the Company.

Sri C.V. Hanumantha Rao retires by rotation and being eligible offers himself for reappointment.

During the period Sri K. Ravindran was nominated by IDBI on the Board in place of Sri R.S. Agarwal.

Auditors :

The report of Auditors and the notes referred to in the auditors report are self explanatory.

M/s. N. Lakshminarayana Associates, Chartered Accountants, Hyderabad, the Statutory Auditors of the Company hold office until the conclusion of this Annual General Meeting and are recommended for reappointment till the conclusion of the next Annual General Meeting. The Company has received a certificate from them that their reappointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act. 1956.

