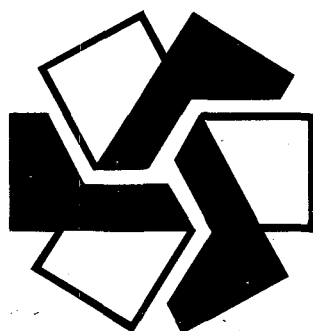


21st Annual Report 2009

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**GALORE PRINTS
INDUSTRIES LIMITED**
(FORMERLY VIKAS LAMINATOR LTD.)

GALORE PRINTS INDUSTRIES LIMITED



Board of Directors

J.P. Rustagi

Chairman

Mahesh Kr. Rustagi

Managing Director

Rajesh Kr. Rustagi

Director

Auditors

Prem P. Lamba & Co.

Chartered Accountants

E - 43, Hauz Khas,

New Delhi - 110 016

Lead Bankers

Indian Overseas Bank

Defence Colony,

New Delhi - 110 024

Registered Office

123A, D.D.A Office Complex, Phase-I,

Jhandewalan Extension, New Delhi - 110 055

Corporate Office & Works

A-46, Sector - 58, Noida - 201 301 (U.P.)

Share Registrar

M/s. Link Intime India Pvt. Ltd.

A-40, 2nd Floor, Naraina Industrial Area,

Phase - II, New Delhi - 110 028

Stock Exchange Listing

The Delhi Stock Exchange Association Ltd.

DSE House, 3/1, Asaf Ali Road,

New Delhi - 110 002

The Stock Exchange, Mumbai

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

The Stock Exchange, Ahmedabad

Kamdhenu Complex, Rajendra Pole

Ahmedabad - 380 015

Madras Stock Exchange Ltd.

Exchange Building, Post Box No. 183

11, Second Line Beach, Chennai - 600 001

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GALORE PRINTS INDUSTRIES LIMITED



NOTICE

Notice is hereby given that the 21st Annual General Meeting of the Members of GALORE PRINTS INDUSTRIES LIMITED (Formerly VIKAS LAMINATOR LTD.) will be held on Tuesday, 29th day of September, 2009 at 9.30 A.M. at Royal Vati, Main Bus Stand, Khera Khurd, Delhi-110082 to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2009 and the Profit & Loss account for the year ended on that date and the reports of Directors and Auditors thereon.
- To appoint a Director in place of Mr. J.P. Rustagi who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Auditors and fix remuneration thereof, the following resolution as an ordinary resolution:

"RESOLVED THAT M/s Prem P. Lamba & Co., Chartered Accountants, New Delhi be and are appointed as the Auditors of the Company, in to hold the office of Auditors from the date of this meeting to the conclusion of the next Annual General Meeting of the Company on such remuneration and out of pocket expenses as may be decided by the Board.

SPECIAL BUSINESS

- To Consider and if thought fit to pass with or without modification, the following resolution as **Ordinary Resolution**.

"RESOLVED THAT subject to the conformation of the High Court/Tribunal, consent of the company be & is hereby given to the reduction of the share capital of the company from Rs 47220000 divided into 4722000 Equity share Capital of Rs 10 each to Rs 30693000 divided into 3069300 Equity share Capital of Rs 6.5 each & the said reduction be effected by extinguishing the liability of these equity shares in respect of paid up share capital of the company.

RESOLVED FURTHER THAT the Board of Directors of the Company be & is hereby authorized to take steps for obtaining the High Court/Tribunal's order, delegate powers to Managing director to finalise the scheme of reduction, effecting modifications as per the order of the Court/Tribunal, and to do all such acts, deeds and things necessary for the purpose of giving effect to this resolution.

By order of the Board

By order of the Board

Place : New Delhi
Date : 02.09.2009

(MAHESH KR. RUSTAGI)
Managing Director

(RAJESH KR. RUSTAGI)
Director

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
- The Register of Members and Shares Transfer Books of the Company will remain closed from Friday, the 25th September, 2009 to Monday the 28th September, 2009 (both days inclusive).
- Members who are holding shares in identical order of names in more than one Folio are requested to write to the Company enclosing their share certificate enable the Company to consolidate their holding in one Folio.
- Members/Proxies should bring the attendance slip duly filled for attending the Annual General Meeting. No extra Attendance slip will be provided at the venue of the Annual general Meeting.
- No gift shall be distributed at Annual General Meeting.

By order of the Board

By order of the Board

Place : New Delhi
Date : 02.09.2009

(MAHESH KR. RUSTAGI)
Managing Director

(RAJESH KR. RUSTAGI)
Director

EXPLANATORY STATEMENT PURSUANT TO SEC. 173 (2) OF THE COMPANIES ACT, 1956 ITEM NO 4.

The equity shares of the company are listed on The Delhi Stock Exchange Association Limited, Stock Exchange Mumbai, The Stock Exchange Ahmadabad & Madras Stock Exchange Limited. The Board of Directors of the company, at its meeting held on 25/08/09 has reduced the paid up value of Equity Share capital of the Company from Rs 10 per share to Rs 6.5 per share

To give a true and fair view of balance sheet we have reduced the share capital of the company from Rs 4,72,20,000 divided into 47,22,000 Equity share Capital of Rs 10 each to Rs 3,06,93,000 divided into 30,69,300 Equity share Capital of Rs 6.5 each & the said reduction be effected by extinguishing the liability of these equity shares in respect of paid up share capital of the company.

By order of the Board

By order of the Board

Place : New Delhi
Date : 02.09.2009

(MAHESH KR. RUSTAGI)
Managing Director

(RAJESH KR. RUSTAGI)
Director

DIRECTORS' REPORT

TO THE MEMBERS

GALORE PRINTS INDUSTRIES LIMITED, NEW DELHI
(Formerly Vikas Laminator Limited)

Your Directors have pleasure in presenting the 21st Annual Report together with the Audited Account of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS

(Rs. in Lacs)

	Current year	Previous year
Turnover/other Income	0.25	240.91
Gross Profit/(Loss)	(22.20)	19.48
Financial Charges	53.91	54.96
Depreciation	0.00	11.18
Profit/(Loss) before tax	(76.11)	(46.66)
Profit/(Loss) after tax	365.59	(46.75)
Income tax-paid for earlier year	—	—
Profit/(Loss) brought toward	(1278.43)	(1230.83)
Transferred from General reserve	—	—
Profit/Loss available for appropriation	(912.84)	(1278.43)
APPROPRIATIONS		
Balance Carried to Balance Sheet	(912.84)	(1278.43)

CORPORATE OVERVIEW:

With the growing competition and aggressive pricing policies, the Company with a not so good liquidity position has not been able to maintain its performance.

During the year under review the turnover of your Company decrease from Rs.240.91 Lacs to Rs.0.25 Lacs. The losses for the company has decreased to Rs.365.59 Lacs as against Rs.46.75 Lacs for the last year.

OUTLOOK FOR EXPORTS

The company is in the process of exploring new markets overseas and hope to achieve new export horizons.

MANAGEMENT DISCUSSION & ANALYSIS

In this Annual Report, we have attached Management's Discussion and Analysis section that highlights the Company's Industry and Market overview, opportunities/threats, a segment wise performance, outlook, risk and concerns, adequacy of internal control systems, financial and operational performance as well as issues of human resource and development.

FIXED DEPOSIT

The Company has not accepted any Fixed Deposit from the shareholders and the public during the year under review.

DIVIDEND

Keeping in view the financial performance, your Directors are unable to recommend a dividend for the year ended 31st March, 2009.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217-(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed.

- that in the preparation of the annual accounts, for the year ended 31st March, 2009 the applicable accounting standards had been followed alongwith proper explanation relating to material departures.
- that the Directors had selected such accounting policies and applied them consistently and made judgment and estimate that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the loss of the Company for the year ended on that date.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

In consonance with core values of the Company to enhance the wealth of shareholders with commitment to the customers, employees and society, your directors attach much significance to good corporate governance.

A separate section on corporate Governance and a Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under



GALORE PRINTS INDUSTRIES LIMITED

clause 49 of the Listing Agreement with the Stock Exchanges, form part of the Annual Report.

DIRECTORS

Shri J.P. Rustagi, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

AUDITORS

M/s. Prem P. Lamba & Co., Chartered Accountants, Auditors of the Company retires at the forthcoming Annual General Meeting of the Company and are eligible for re-appointment. The Company has received a certificate to the effect that their appointment, if made; shall be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

The Board comments pursuant to Section 217 (3) of the Companies Act, 1956 on the qualifications made by the Auditors in their Report are as follows:

As regards Point No.3A (i), the Company has already sent the statement of accounts for confirmation/reconciliation to the debtors/creditors. In our opinion there would be no difference.

As regards Point No.3A (ii) and (iii) (a), Conformation of unsecured loan amount received during the year and bill payable are not obtained, the liability is different than that shown in the balance sheet due to incidence of interest/compound interest/penal interest and other charges

As regards Point No. 3A (iii) (b), no demand has been raised by the respective authorities related to penalty /interest payment of sales tax,PF,ESI and TDS.

As regards Point No. 3A (iv),No interest has been charged/paid on advances and loan.

As regards Point No.5, provision for gratuity and leave encashment has not been made

As regards Point No. 7(i) (a)&(b), as the fixed assets register has been misplaced and not locatable, the same was not produced before the auditors for the purpose of their audit.

As per Point No. 7(ii) (a)&(b), the stock of finished goods, stores, spares, raw material, packing material been verified every quarterly by the department in-charge and annually by the management.

As regards Point No. 7 (vi), the company has accepted unsecured loans from Directors and various firms to meet the working capital, the directives issued by RBI and provisions of section 58A and rule framed there under have not been complied with as the necessary formalities and documents have not been filed with ROC

As regards Point No. 7 (vii),the company has no internal audit system. Efforts have been made to keep the internal control system healthy by the employees themselves.

As regards Point No. 7 (ix) (a), the company was not regular in depositing undisputed statutory dues with the appropriate authorities and extent of arrears of out standing statutory dues,for a period of more than 6 months from the date they become payable

As regards Point No. 7.(ix) (b), thedisputed dues of Sales Tax/Excise Duty, the dispute is pending

As regards Point No. 7 (xi), as the Out standing of UPFC,Indian Overseas Bank and National Small Industries Corporation Ltd has been opted for OTS during the year

INDUSTRIAL RELATIONS

Harmonious Industrial climate and inter personal relationship continue to prevail and will further strengthen the well established traditions and commitments to the future growth of the employees.

PARTICULARS OF EMPLOYEES AND DISCLOSURE OF INFORMATION

There were no employees drawing remuneration more than the limit prescribed under Section 217(2A) of the companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975.

DISCLOSURE OF PARTICULARS

In terms of Section 217 (1) (e) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 addition information relating to conservation of energy, technology absorptions, Foreign Exchange earning and outgo are given in Annexure "A" forming part of this report.

ACKNOWLEDGEMENT

The Board of Directors places on record their sincere thanks to the financial institution, Bank, Government Authorities and all stake holders for their continued co-operation and support to your Company.

By order of the Board:

By order of the Board

Place : New Delhi
Date : 02.09.2009

(MAHESH KR. RUSTAGI)
Managing Director

(RAJESH KR. RUSTAGI)
Director

ANNEXURE 'A' TO DIRECTORS REPORT

(Additional information given in terms of notification issued by the Department of Company Affairs).

A. Conservation of Energy :

1. Energy conservation measures taken : The Company has already installed thermic fluid heaters for its printing and lamination machines being an energy conservation device. Further all efforts will be made to conserve and save energy wherever necessary.
2. Additional investments and proposal if any, being implemented for reduction of consumption of energy. : Nil
3. Impact of the measures at (1) & (2) for reduction of energy consumption and consequent impact on the cost of production of goods : By installing thermic fluid heaters the energy consumption has reduced substantially as a results cost of production will also come down.
4. Total energy consumption and consumption per unit of Production : As per Form -A

B. TECHNOLOGY ABSORPTION

As per Form -B

C. Foreign exchange earning and outgo

Particulars of Foreign exchange earning and outgo are given in schedule 17 Notes on Accounts under note.22 (F) & (G).

FORM -A

Disclosure of Particulars with respect to conservation of energy:

A. NIL		
B) Own generation (Through Diesel Generator)		
Units	NIL	NIL
Unit per Ltr. of H.S.D/ L.D.O.	NIL	NIL
Cost /Unit (Rs.)	NIL	NIL

FORM -B

Disclosure of particulars with respect to Research and Development (R&D) and Technology absorption:

1. Specific areas in which R&D carried out by the Company. : Development of new products for various applications such as flexible packaging materials for packing Mobile Oil, Shampoo, Jucies, Gray Cement etc.
2. Benefits derived as a results of the Above R& D. : Additions of valuable clientele.
3. Future plan of action. : Continue to develop new products in the field of flexible packaging materials.
4. Expenditure of Reasarch and Development:
 - a) Capital : Nil
 - b) Recurring : Nil
 - c) Total : Nil
 - d) Total R&D expenditure as a Percentage of total : N.A.

Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards Technology absorption, adaptation and innovation. : No new technology has been imported.
2. Benefits derived as a result of the above effort e.g. product improvement cost reduction, products development, import substitution etc. : Nil
3. In case of Imported Technology imported during the last five years reckoned from the begining of the financial year, following information may be furnished:
 - a) Technology imported
 - b) Year of import.
 - c) Has technology been fully absorbed
 - d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plan of action.