

GANESH FOUNDRY & CASTINGS LTD.

MUZAFFARPUR

Annual Report & Account 2009-2010

Board of Directors

Mr. Ashok Kumar Bajoria, Managing Director
Mr. Anand Kumar Bajoria, Director
Mr. Shyam Sunder Bajoria, Director
Mr. Jugal Kishore Agarwal, Director

Bankers

State Bank of India, Muzaffarpur.

Auditors

G.P.Tulsyan & Co.
Premkunj, Sikanderpur,
Muzaffarpur 842 001

Registered office & Factory

At & P.O. Sipahpur, Ahiyapur,
Muzaffarpur.
PIN 842 001

NOTICE

TO, THE MEMBERS,

The Twenty second Annual General Meeting of the members of the company will be held at the Registered office of the company at Ahiyapur, Sipahpur, Muzaffarpur on 30th day of September, 2010 at 11.00A.M., to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the company for the year ended 31st March 2010 together with Director's Report as also the Auditor's Report thereon.
2. To appoint and fix the remuneration of the Auditors of the company and to consider and if thought fit to pass with or without modification, the following resolution.
"RESOLVED THAT M/S. G. P. Tulsyan & Co., Chartered Accountants, Muzaffarpur be and hereby appointed as Statutory Auditor to hold office from the conclusion of this AGM until conclusion of next AGM on such remuneration as may be determined by the Board of Directors."
3. To appoint a Director in place of Mr.Jugal Kishore Agarwal, who retires by rotation and has shown his unwillingness for re-appointment.
4. To appoint a new Director Mr.Vikash Kumar Bajoria who has given his consent for appointment as director.
5. To reappoint the existing Managing Director Mr.Ashok Kumar Bajoria who has given his consent for Reappointment as **Managing Director**, for another term of five years.

By the order of the Board

Muzaffarpur
29th day of August, 2010



Chairman

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy in order to be effective must be received at the Company's Registered office not less than 48 hours before the time of holding the meeting.
3. The register of the members of the Company will remain closed from 29th August, 2010 to 30.09.2010, both days inclusive.

DIRECTOR'S REPORT

Dear Shareholders.

Your Directors have pleasure in presenting the Twenty Second Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March,2010

Financial Results

| | PARTICULARS | 2009-2010 | 2008-2009 |
|--------------|--|---------------------|---------------------|
| | Turnover | 34,25,45,482 | 38,73,61,395 |
| | Profit before Interest & Depreciation | 41,08,004 | 38,09,485 |
| Less: | Interest | 7,84,012 | 7,53,275 |
| | Depreciation | 30,28,959 | 18,86,367 |
| | Profit before tax | 2,95,033 | 11,69,843 |
| Less: | Deferred Tax Provision | 68,010 | NIL |
| Less: | I.Tax (Mat)& FBT Provision | 52,012 | 1,95,525 |
| | Profit after tax | 1,75,011 | 9,74,318 |

General Review

In the year 2009-2010, the company has achieved enhanced turnover without the trading of raw materials due to entering into agreement with M/S.KAMDHENU INDUSTRIES LTD to market its product under the brand name of PRIME GOLD SARIYA. The commissioning of TMT PLANT has made the product quality more competitive and also paved way for higher turnover.

Finance

So far the company has financed the expansion proposal from its internal accruals and loans from directors and their relatives. The Working capital requirement is financed by S.B.I.Muzaffarpur, which the company proposes for enhancement for higher capacity utilizations. .

Business prospect

Business prospects are good for the company, as it has a wide market to cater and there is locational advantage also. There has been a marked acceptance of the TMT of the company under KAMDHENU brand.

Corporate Governance

Your company has complied with the regulation of corporate governance. AUDIT COMMITTEE & SHAREHOLDERS committee has taken adequate steps to ensure that all mandatory provisions of corporate governance as provided in the listing agreement with the stock exchange are duly complied with. A separate report in Annexure 'A' is annexed along with auditor's certificate on its compliance.

Director's Responsibility Statement

In Compliance with section 217(2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, your directors Confirm:

1. That the applicable Accounting standards have been followed in the preparation of Annual Accounts along with proper explanations relating to material departures, if any.
2. That the accounting policies have been selected and applied consistently and such judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2010 and the loss for the year ended on that date.
3. The proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding of assets of the company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts have been prepared on a going concern basis.

Delisting of Equity

With a view to impart liquidity and reward to the investors, the company had already passed a special resolution in the earlier AGM regarding delisting of its equity share, but the delisting process could not start for want of compliances and other difficulties, which the company is in the process of completing this year.

Conservation of Energy, Technology absorption, Foreign Exchange Earnings and outgo.

Conservation of Energy

Energy efficient equipments have been used and emphasis has been laid on preventive maintenance. This has reduced cost of production by utilizing power judiciously. The benefits accruing due to steps taken are reflected in results of the Company.

POWER & FUEL CONSUMPTION: As per **Form-B** annexed

Technology Absorption:

Efforts made in this regard are given in **Annexure –C**

Foreign Exchange Earnings and Outgo:

Total foreign earnings : NIL

Directors

Mr. Jugal Kishore Agarwal director is liable to retire by rotation before this AGM, and has not offered to be re-appointed as director. A new director Mr. Vikas Kumar Bajoria has offered for appointment and his consent has been taken. Also the existing managing director Mr. Ashok Kumar Bajoria's term as managing director expires with conclusion of the ensuing AGM and he has been offered reappointment as Managing director for another term of 5 years and his consent has been taken.

Auditors

M/S.G.P.Tulsyan & Co. Auditors of the company retire at the conclusion of ensuing Annual General Meeting and eligible for reappointment.

Contingent Liabilities

The Arbitration award of the committee constituted under the direction of court against, the additional energy bill of BSEB has been challenged by the company in court of law, who has stayed the recovery proceeding of BSEB in this regard till final decision of the Hon' able court. Hence there is no ascertained liability on this count as yet, but the company proposes to make provision in the books of the books of the estimated liability from coming years, out of profits.

Personnel

Industrial relations during the year under review remained cordial. Your Directors would like to place on record their appreciation of the sincere and dedicated services rendered by the employees of the company.

Particulars of Employees

There was no employee of the company whose particulars were required to be included in this report under section 217 (2A) of the Companies Act, as amended.

Acknowledgement

Your Director wish to place on record their grateful tanks to the Financial Institution, Banks and various Government Authorities for their valuable assistance and cooperation and for the trust and confidence reposed in the company by the shareholders.

For and on behalf of the Board

Muzaffarpur
Dated:29th August, 2010



Chairman

ANNEXURE TO DIRECTOR'S REPORT

FORM-A:REPORT ON CORPORATE GOVERNANCE

A. COMPLIANCE OF MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company believed in total transparency in its operation and sharing the interest in a transparent way with its shareholders, bankers and customers.

2. BOARD OF DIRECTORS

| B. BOARD OF DIRECTORS | | | TOTAL NO. OF COMMITTEE MEMBERSHIP | | NO. OF BOARD MEETING ATTENDED DURING YEAR | | WHETHER ATTENDED LAST AGM |
|-----------------------|--------|---------------------------------|-----------------------------------|--|---|--|---------------------------|
| NAME OF THE DIRECTORS | STATUS | MEMBER OF BOARD OF OTHER PUBLIC | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

Number of the Board Meeting held and the date on which held : (Six) board meeting were held during 2009-10 on 28.05.2009, 12.08.2009, 12.09.2009, 05.10.2009, 08.12.2009 & 05.03.2010.

3. AUDIT COMMITTEE

TERMS OF REFERENCE

The broad term of reference of the Audit committee are to interact with the internal reporting process and review with the management and the Annual financial statement before submitting to the board including :

1. Appointment and fixation of remuneration of statutory Auditor.
2. Review quarterly, Half yearly and Annual financial returns before submitting to Board.
3. Review accounting policies followed by the Company.
4. Internal Control System and procedures of the company.

The Audit committee meeting was held on 28.05.2009, 12.08.2009, 08.12.2009 and 05.03.2010 during the year. The Audit Committee consists of the following directors and details of meeting held are as below:-

| Name of Director | Meeting Held | Meeting attended |
|-------------------------------------|--------------|------------------|
| Mr. Jugal Kishore Agarwal, Chairman | 4 | 4 |
| Mr. Ashok Kumar Bajoria | 4 | 4 |
| Mr. Anand kumar Bajoria | 4 | 4 |

4. REMUNERATION COMMITTEE

The Company has not formed a Remuneration Committee.. The details of Remuneration paid to the Director during the financial 2009-10 are as below:-

| Name of Director | Salary & Allowances | Others |
|--------------------------|---------------------|---------------|
| Mr. Ashok Kumar Bajoria | 6,00,000 | NIL |
| Mr. Shyam Sunder Bajoria | 4,80,000 | NIL |
| Mr. Anand Kumar Bajoria | 5,40,000 | 15,000(Lease) |

5. SHAREHOLDERS COMMITTEE

The Company has a Shareholders/Investors grievance Committee consisting of Mr. Jugal Kishore Agarwal, Mr.Ashok Kumar Bajoria and Mr.Shyam Sunder Bajoria, the directors of the committee as members and Mr. Shyam Sunder Bajoria as Chairman.The scope of work of the committee included, inter-alia, approval of transfer of share, issue of duplicate share certificate, redressal of shareholders complaint and share related issue. Two meeting of the committee were held on 28.05.2009 and 05.03.2010 however there was no complaint received during the year.

6. GENERAL BODY MEETING

Detail of the Annual General Meeting (AGM)

| AGM'S | Date of AGM's | Location | Time |
|------------|---------------|-----------------------------------|------------|
| Twenty One | 12.09.2009 | Village:Sipahpur, Muzaffarpur. | 11.00 A.M. |
| Twentieth | 15.09.2008 | Village:Sipahpur, Muzaffarpur. | 11.00 A.M |
| Nineteenth | 30.09.2007 | Village:Sipahpur, Muzaffarpur. | 11.00 A.M. |

Special Resolution/Business transacted at the last three general Body meeting.:-

1. No special resolution was passed. The ordinary business of adoption of annual accounts and appointment of auditors and retiring directors was transacted in the AGM.
2. No resolution was put through postal ballots.
3. No such resolution was transacted.

7. DISCLOSURES

Disclosure on Materially significant related party transaction: NIL

Details on non-compliance of the company, penalize, stricture, imposed on the company by stock exchange or SEBI or any other statutory authority or nay other matter related to capital market during the last three years:-

Quarterly results pending since: NIL

8. MEANS OF COMMUNICATION

Quarterly Results:

Quarterly records are approved and taken on record by the Board of Directors of the company generally within one month of the close of the relevant quarter. **However during 2006-07 onwards , no quarterly approved results were sent to BSE.**

Which Newspaper normally published in :NIL

Any Website where display : No

Whether it also official news release : No

Whether presentation made to institutional interest : No.

Whether management discussion and analysis is a
Part of Annual return :Yes

9. GENERAL SHAREHOLDER'S INFORMATION

AGM Date, Time and Venue: : 30TH day of September 2010 at 10.00A.M. at
Registered office of the company.

10. FINANCIAL CALENDER APRIL 2009 to MARCH 2010

First quarterly Result :NIL

Half Yearly Result :NIL

Third quarterly Result :NIL

Audited Result for the year ended on 31.03.2008 :NIL

Date of Book Closure :29.08.2010 TO 30.09.2010
(Both days inclusive)

Dividend payout :N.A.

| | |
|----------------------------------|------------------------|
| Listing of Stock Exchange | :Bombay Stock Exchange |
| Stock Code | :NIL |
| De-mat ISIN name for NSDL & CSDL | :NIL |

11. MARKET PRICE DATA

High/low during month/year in the last five year

Share price on the Mumbai Stock exchange (for value Rs.10/-)

| MONTH | HIGH | LOW | CLOSE |
|---|------|-----|-------|
| -----NO QUOTATION DURING 2009-2010----- | | | |

| | |
|-------------------------|--|
| SHARE DEPARTMENT | Ganesh Foundry & Castings Ltd. At + P.O.: Sipahpur, Ahiyapur, Muzaffarpur 842 001 |
|-------------------------|--|

| | |
|------------------------------|--|
| SHARE TRANSFER SYSTEM | Transfer on approval on monthly basis. |
|------------------------------|--|

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2010

| | | |
|----------------------------------|-------------|-------|
| Promoter's Holding | 1,98,00,196 | 44.98 |
| | | % |
| Institutional Investor | NIL | NIL |
| Bank, M/F, Insurance Co. & Govt. | NIL | NIL |
| FII's | NIL | NIL |
| Private Corporate Bodies | 1,0859,734 | 24.67 |
| | | % |
| Indian Public | 88,39,216 | 20.08 |
| | | % |
| NRI's/OCM | 45,20,854 | 10.27 |
| | | % |

B. COMPLIANCE ON NON MANDATORY REQUIREMENTS

1. CHAIRMAN OF THE BOARD

Mr. Ashok Kumar Bajoria is the elected Chairman of the Board for the year 2009-10

2. BOARD PROCEDURE

Member of the Board are provided with the requisite information mentioned in the listing agreement well before the Board Meeting and the same were dealt with appropriately.

3. SHAREHOLDERS RIGHT

Half yearly results including summary of the significant accounting policies are presently not being sent to shareholders of the company.

4. POSTAL BALLOT

No resolution are being proposed to be passed by postal ballot.

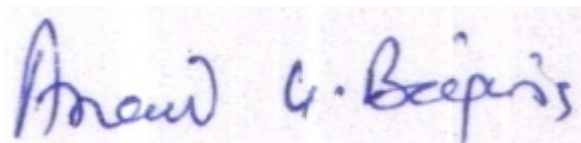
For and on behalf of the Board

Muzaffarpur

Dated:29th August2010



Director



Director

FORM - B

ENCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY 2008-09

1. POWER & FUEL CONSUMPTION

| | CURRENT YEAR | PREVIOUS YEAR |
|------------------------|-------------------------|--------------------------|
| (a) ELECTRICITY | | |
| Purchased Units | 1,78,61,600 | 1,61,89,700 |
| Total Amount | 5,94,99,387 | 4,88,78,389 |
| Subsidy received | NIL | NIL |
| Rate per unit | 3.59 | 3.59 |