



CERTIFIED TRUE COPY

For **GIRDHARILAL SUGAR AND ALLIED
INDUSTRIES LIMITED**

CHAIRMAN & MANAGING DIRECTOR,

**GIRDHARILAL SUGAR
AND ALLIED INDUSTRIES
LIMITED**

**TWENTYTH ANNUAL GENERAL MEETING
ON TUESDAY, 29TH SEPTEMBER 2009**

at

**45/47- A, INDUSTRIAL AREA NO.1, A.B.ROAD,
DEWAS (M.P.)- 455 001
AT 12.00 NOON**

BOARD OF DIRECTORS

SHRI RAJESH AGRAWAL	-	CHAIRMAN & MANAGING DIRECTOR
DR.G.P.TULSYAN	-	DIRECTOR
SHRI M.S. BIDASARIA	-	DIRECTOR
DR S.R.SHARMA	-	DIRECTOR
SHRI MURARI PRASAD	-	DIRECTOR

LISTING OF SHARES

**BOMBAY STOCK EXCHANGE LTD., MUMBAI
THE NATIONAL STOCK EXCHANGE OF
INDIA LTD., MUMBAI**

AUDITORS

**M/S.M. MEHTA & CO.
CHARTERED ACCCOUNTANTS
INDORE**

REGISTERED OFFICE :

**45/47-A, INDUSTRIAL AREA NO.1,
A.B.ROAD,
DEWAS (M.P.) - 455 001**

CORPORATE OFFICE :

**107, CHETAK CENTRE, 1ST FLOOR,
12/2, R.N.T.MARG,
INDORE - 452001 (M.P.)**

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Shareholders are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, as Copies of the report will not be distributed at the meeting.

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the Members of Girdharilal Sugar And Allied Industries Ltd., will be held on Tuesday, the 29th September 2009 at the Registered Office of the Company at 45/47-A, Industrial Area No.1, A.B.Road, Dewas at 12.00 noon to transact the following business.

ORDINARY BUSINESS

- 1) 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 together with the Auditors Report and the Directors Report thereon.
- 2) To appoint a Director in place of Shri Murari Prasad, who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

- 4) To consider the reappointment of Shri Rajesh Agrawal as Chairman & Managing Director of the Company and to fix the remuneration.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310, 311 and other applicable provisions, if any, read with schedule XIII, as amended, of the Companies Act, 1956, and subject to approval of the Shareholders of the Company consent be and is hereby accorded on reappointment of Shri Rajesh Agrawal as Chairman And Managing Director of the Company for further period of five years from 01/09/2009 to 31/08/2014 with payment of remuneration on the terms and conditions set out as below :

I. SALARY

Salary of Rs.75,000/-P.M. (Rupees seventy five thousand only) in the grade of Rs.75,000 - 5000 - 100000.

II. COMMISSION

1% of net profits in addition to salary & perquisites subject to ceilings laid down in Section 198 and 309 of the Act.

III. PERQUISITES

In addition to the above he shall be entitled to the following perquisites.

CATEGORY - 'A'

1. HOUSING :

- i. The expenditure by the company on hiring furnished accommodation for Shri Rajesh Agrawal will be subject to the following ceiling i.e. 60% of the salary, over and above 10% payable by Shri Rajesh Agrawal.
- ii. In case the accommodation provided to Shri Rajesh Agrawal is owned by the Company, 10% of the salary of

Shri Rajesh Agrawal shall be deducted by the Company.

- iii. In case no accommodation is provided by the company, Shri Rajesh Agrawal shall be entitled to House Rent Allowance subject to the ceilings as laid down in Housing(i).

Explanation :

The expenditure incurred by the company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962. This shall however, be subject to a ceilings of 10% of the salary of Shri Rajesh Agrawal.

2. Medical Reimbursement :

Expenditure incurred for the self and family subject to a ceiling of one month's salary in a year or 3 month's salary over a period of 3 years.

3. Leave Travel Concession :

For self and family once a year in accordance with the rules of the company.

4. Club Fees :

Fees of clubs subject to a maximum of 2 clubs. This will not include admission and life membership fees.

5. Personal Accident Insurance :

For an amount the premium in respect of which shall not exceed Rs.4,000/- per annum.

CATEGORY - 'B'

He shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration as mentioned above.

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961,
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
- c. Encashment of leave at the end of the tenure.

CATEGORY - 'C'

Provision of car with driver and telephone at residence, provided that personal long distance calls on telephone and use of car for private purpose shall be recovered by the company.

"Further resolved that Board of Director of the company be and are hereby authorised to vary and / or modify terms and conditions related to the remuneration, commission, perquisites and yearly increment to be provided to Shri Rajesh Agrawal, Managing Director of the company in accordance with and as may be permitted by the companies Act, 1956 and schedule XIII for the time being in force and/or any amendments and / or modifications, including any guidelines or modifications or notifications as may be made by the Central Government from time to time."

"RESOLVED FURTHER THAT Dr.S.R. Sharma, Director be and are hereby authorised to take the necessary steps to give effect to above resolution and file the necessary forms /

GIRDHARILAL SUGAR AND ALLIED INDUSTRIES LIMITED

documents to Registrar of Companies, Madhya Pradesh".

None of the Directors except Shri Rajesh Agrawal may be deemed to be concerned or interested in the resolution.

- 5) To consider giving Inter Corporate Loan/Deposits to Companies including Group Companies .

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"Resolved that pursuant to provision of Section 372 A of the Companies Act, 1956 and further subject to approval of shareholders and other necessary approval wherever necessary, consent be and is hereby accorded to the Company to place Inter Corporate Deposits/Loan with companies including group companies, in excess of 60% of the Paid Up Capital and Reserves of the Company, at a rate of interest above Bank Deposit Rate in order to maximize profit."

by order of the Board
**Girdharilal Sugar And Allied
Industries Limited**

DATE : 27.07.2009

PLACE : INDORE

RAJESH AGRAWAL

Chairman & Managing Director

Registered Office :-

45/47-A, Industrial Area No. 1

A.B. Road, DEWAS (M.P.)

NOTES :-

- Members entitled to attend and vote at the Meeting are also entitled to appoint a proxy to attend and vote at the Meeting in their place and the Proxy need not be a Member of the Company.
- The Proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- Shareholders are requested to intimate change in their addresses, if any, immediately.
- The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 22nd September, 2009 to Tuesday, the 29th September, 2009 (both days inclusive).
- Any query on the Annual General Meeting should be submitted in writing so as to reach the Registered Office of the Company at least 10 days before the date of Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF COMPANIES ACT, 1956.

ITEM NO.4

Shri Rajesh Agrawal was appointed as Managing Director of the Company in the Meeting held on 31/07/2004 for a period of 5 years from 01/09/04 to 31/08/2009 and Shareholders in their Annual General Meeting held on 29/09/2004 had approved the same.

The term of Appointment of Shri Rajesh Agrawal is going to be expired on 31/08/2009. The Board may consider re-appointment of him as Managing Director for further period of five years from 01/09/2009 to 31/08/2014 subject to approval of Shareholders in the ensuing Annual General Meeting.

A copy of terms and conditions of Appointment of Shri Rajesh Agrawal, as approved by the Board of Directors in their meeting held on 29/04/2009 is available for inspection by the members at the registered office of the Company between business hours on any working days and will also be available for inspection at the forthcoming Annual General Meeting. The Directors recommend the resolution for adoption.

None of the Directors except Shri Rajesh Agrawal may be deemed to be concerned or interested in the resolution.

ITEM NO. 5

It may be informed that post sale of Sugar Mill, the surplus funds available with the Company has been kept in fixed deposit with Bank. Moreover in the current recessionary trend, it may not be advisable to venture into a new business, to maximize the profits. He therefore, suggested that the surplus fund be invested as Inter Corporate Deposit with Limited Companies, including group companies, at a rate of interest, above Bank Deposit Rates, in order to earn more profit subject to approval of shareholders in the ensuing Annual General Meeting.

by order of the Board
**Girdharilal Sugar And Allied
Industries Limited**

DATE : 27.07.2009

PLACE : INDORE

RAJESH AGRAWAL

Chairman & Managing Director

Registered Office :-

45/47-A, Industrial Area No. 1

A.B. Road, DEWAS (M.P.)

20th ANNUAL REPORT 2008-2009**DIRECTORS' REPORT**

Dear Members,

Your Directors are presenting before you the 20th Annual Report of the Company along with the Audited Accounts for the 9 months period ended 31/03/2009. (i.e. from 01/07/08 to 31/03/09)

FINANCIAL HIGHLIGHTS

	2008-2009 (9 months) (Rs. in lacs)	2007-2008 (15 Months) (Rs. in lacs)
Sales (Gross)	1609	6856
Gross Profit before Interest,		
Depreciation, Profit on sale of fixed Assets and exception items	107	452
Interest & Financial Expenses	20	28
Depreciation	70	258
Previous Year Adjustments	0	7
Profit for the year	17	159
Add : Profit on sale of Fixed Assets	1920	0
Less/Add : Exceptional Items	(371)	3264
Less : Provision for Taxation	(659)	872
Balance	907	2551
Balance Brought forward from last year	(391)	(2942)
Balance carried to Balance Sheet	516	(391)

OPERATIONAL HIGHLIGHTS & FUTURE PROSPECTS

During the period under consideration the company has achieved turnover of Rs. 1609 Lacs as against Rs.6856 Lacs in the previous year. The Gross Profit (PBID) for the year is Rs.107 lacs against Rs. 452 lacs during the previous year. The Net Profit for the year after interest and depreciation is Rs.17 lacs as compared to Rs.159 lacs in the previous year. After considering profit on sale of Assets of Rs.1920 lacs (previous year nil), exceptional items loss of Rs.371 lacs (previous year extraordinary items (gains) of Rs. 3264 Lacs), provision for taxation of Rs.659 lacs (previous year 872 lacs), the balance profit works out to Rs.907 lacs as against Rs.2551 lacs in the previous year which together with brought forward losses has been carried to Balance Sheet.

During the period under consideration, the company had sold its Sugar Mill situated at Village Ghatwa, Tehsil Thikri, Dist. Barwani (M.P.) after obtaining prior approval, wherever required. Out of the sale proceeds, the company had cleared entire liabilities of financial institutions, Banks, Government and others.

BIFR, vide its order dated 08/09/2008 had deregistered the company on an application made by the company in view of positive net worth. The Company is no more a Sick Company.

The company has plan to start new business including export of agricultural commodities etc. Your Directors are keenly watching the world scenario which is fast improving. The Company will take suitable decision at the right time after evaluating all the alternative opportunities available with it.

DIVIDEND

Due to brought forward losses, no dividend is declared.

PUBLIC DEPOSIT

During the year the company did not invite any deposit from the public under section 58 A of the Companies Act, 1956.

FIXED ASSETS

As stated above, during the year, the company has sold entire fixed assets of its Sugar Mill, having gross block of Rs.4857.79 lacs. Fixed Assets of Head Office, having gross block of Rs.4.55 lacs and net block of Rs.1.47 lacs remains with the Company.

DIRECTORS

Shri Murari Prasad, Director of the Company retire by rotation and being eligible, offer himself for reappointment. In view of the valuable contribution made by Shri Murari Prasad, the Board of Directors of your company recommend re-appointment of Shri Murari Prasad as Director of the company.

PARTICULARS OF EMPLOYEES

The statement pursuant to the provision of Section 217 (2A) of the Companies Act, 1956 and Companies (Particulars of Employees) Rules, 1975 is not required since none of the employees has drawn not more than Rs.24,00,000/- per annum or Rs.2,00,000/- per month during the relevant year.

GIRDHARILAL SUGAR AND ALLIED INDUSTRIES LIMITED**AUDITORS**

The Statutory Auditors M/s. M. Mehta & Company, Chartered Accountants retire at the conclusion of the 20th General Meeting and being eligible offer themselves for reappointment. The Directors recommend for approving reappointment of M/s. M. Mehta & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

AUDITORS REPORT

The Notes to the Accounts referred to in the Auditors Report are self explanatory and are properly dealt with in schedule "S" of the Annual Accounts. Your Directors may further add that outstanding advances to cane growers of Rs.371 lacs was disbursed in the initial period of Sugar Mill. Similarly, major cane development expenses were also incurred in the initial period of Sugar Mill. Now after the sale of Sugar Mill, these advances became unrealisable and hence written off in the Books. Similarly, the remaining cane development expenses, which were treated as deferred expenditure, has been written off.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- ii. That the selected accounting policies were applied consistently and the directors 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 as at March 31st 2009, and of the Profit after extraordinary items of the company for the period ended on that date.
- iii. 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.
- iv. That the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

The Audit Committee constituted earlier is working satisfactorily. The Committee is quite helpful in strengthening the internal control procedures, MIS and other statutory matters.

During the period 2008-09 the Committee met 4 times.

Senior Executives of the Company, representatives from Statutory Auditors and Internal Auditors also attended the Committee Meeting, whenever necessary, to clarify the points being raised by the Committee Members.

The Company is continuously reviewing other aspects giving strength to the Corporate Governance in consultation with the Auditors and Corporate Consultants.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO

The information required under section 217 (i) (e) of the Companies Act, 1956 read with Companies (disclosure of particulars in the report of the Board of Directors) Rules, 1988 with respect to these matters is appended hereto and form part of this report.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the support by the Company from Financial Institutions, Banks, Union and State Governments, Farmers and the Employees.

for and on behalf of the Board

Girdharilal Sugar And Allied Industries Limited

DATE : 27.07.2009

PLACE : INDORE

RAJESH AGRAWAL

Chairman & Managing Director

20th ANNUAL REPORT 2008-2009

ANNEXURE TO THE DIRECTORS REPORT

Statement pursuant to Section 217 (2A) of the Companies Act, 1956 and Companies (Particulars of Employees) Rules, 1975 and forming part of this Report.

A) Employed throughout the year and in receipt of remuneration aggregating not less than Rs.24,00,000/- per annum

NONE

B) Employed for part of the year and in receipt of remuneration aggregating not less than Rs.2,00,000/- per month.

NONE

Notes : 1. Gross Remuneration includes Salary, HRA, Employer's contribution to PF & provision for gratuity and cost of perquisites to the Company.

**INFORMATION REQUIRED UNDER THE COMPANIES
(DISCLOSURE OF PARTICULARS IN REPORT OF DIRECTOR) RULES, 1988
ANNEXURE FORM-A**

Form for disclosure of particulars with respect to conservations of energy.

	<u>31.03.09</u>	<u>30.06.08</u>		<u>31.03.09</u>	<u>30.06.08</u>
A. POWER & FUEL CONSUMPTION :			4. Fire Wood		
1. Electricity :			Quantity (M.T.)	N.A.	95.720
a. Purchased			Total Amount (Rs.)	N.A.	196246
Unit KWH	56477	134096	Average Rate (Rs.)	N.A.	2050.20
Total Amount (Rs.)	316269	666123	5. Other / Internal Generation		
Average Rate / Unit (Rs.)	5.60	4.96	(Please give details)		
b. Own Generation			Steam used for driving prime movers & used in process		
i. Through Diesel Generator			Quantity Bagasse (M.T.)	N.A.	N.A.
Unit KWH	22080	114350	Total Cost (Rs.)	N.A.	N.A.
Unit per Litre of Diesel Oil	1.83	0.53	Rate / Unit (Rs.)	N.A.	N.A.
Cost / Unit (Rs.)	19.04	15.18	B. CONSUMPTION PER UNIT OF PRODUCTION :		
ii. Through Steam			Products (with) details		
Turbine / Generator			SUGAR		
Unit KWH	N.A.	655180	Unit (M.T.)		30206.50
Unit per Kg. of Bagasse	N.A.	0.22	Electricity (Kwh.)		4.44
2. Coal (Specify Quality and where used)			Diesel (litre)		1.99
Steam Coal used in Boiler			Furnace Oil (Litres)	N.A.	N.A.
Quantity (Tonnes)	N.A.	N.A.	Coal(Specify Quantity) (M.T.)		N.A.
Total Cost (Rs.)	N.A.	N.A.	Other (Specify)		
Average Rate (Rs.)	N.A.	N.A.	a. Firewood (M.T.)		0.003
3. Furnance Oil			b. Bagasse (M.T.)		2.566
Quantity (K.ltrs.)	N.A.	N.A.			
Total Cost (Rs.)	N.A.	N.A.			
Average Rate (Rs.)	N.A.	N.A.			

Notes :- a. H.S.D. Oil consumed in Diesel Generator 12088 (60253) Litres Value Rs.420541/- (Rs.2098614/-).

b. Bagasse Consumed NIL (77500) M.T.

ANNEXURE- FORM - B

1. CONSERVATION OF ENERGY :
2. TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENTS :
3. IMPACT OF MEASURES TAKEN :

N.A. :- The Company has sold the Sugar Mill before start of crusing season in F.Y. 2008-09.

4. FOREIGN EXCHANGE : i) Earned : Rs. NIL ii) Out go : Rs. NIL

for and on behalf of the Board
Girdharilal Sugar And Allied Industries Limited

RAJESH AGRAWAL

Chairman & Managing Director

DATE : 27.07.2009

PLACE : INDORE