

IXth Annual Report

2003-2004

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Gorani

Industries
Limited



Gorani Industries Ltd.

[REDACTED]

Narendra Gorani	Chairman & Managing Director
Anil Gorani	Whole Time (Technical) Director
Sanjay Gorani	Whole Time (Technical) Director
Shyamsunder Jhavar	Independent Director
Anurag Nandecha	Independent Director
Dinesh Kumar Daga	Independent Director

[REDACTED]

M/s. A.P. Garg & Co.
Chartered Accountants

[REDACTED]

Central Bank of India, CFB, Siyaganj, Indore

[REDACTED]

Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
INDORE-452 015 (M.P.)



NOTICE

Notice is hereby given that the NINTH ANNUAL GENERAL MEETING OF **GORANI INDUSTRIES LIMITED** will be held at Plot No. 32-33 Sector 'F' Industrial Area, Sanwer Road, Indore (M.P) on Saturday 25th September, 2004 at 4.00 P.M to transact the following Business:

ORDINARY BUSINESS

1. To receive consider and adopt the Audited Balance Sheet and Profit & Loss Account for the Financial Year ended 31st March 2004, together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Shri Anurag Nandecha who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company 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. The retiring auditors M/s. A.P. Garg & Co., Chartered Accountants, Indore are eligible for reappointment.

SPECIAL BUSINESS

4. To consider, and if thought fit, to pass with or without modification the following resolution as an "**Ordinary Resolution**"

RESOLVED That Shri Dinesh Kumar Daga, who was appointed as an additional Director of the Company pursuant to section 260 of the Companies Act, 1956 and provisions of Article No. 160 of the Articles of Association of the company and hold the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company subject to be liable to retire by rotation.

5. To consider, and if thought fit, to pass with

or without modification the following resolution as an "**Special Resolution**"

RESOLVED That pursuant to the provision of Section 31 and other applicable provisions if any of the company act, 1956. The articles of the association of the company be and his hereby altered to the extent and in the manner setout here under.

- a) After article 69 following in articles no.as article 69A with the marginal heading thereof to be inserted under the headings "Dematerialization of Securities.

69A. DEMATERILISATION OF SECURITIES.

(A) Definition :

For the purpose of the Article unless the context otherwise requires.

"Beneficial Owner" means a person whose name is recorded as such with a depository and shall have the meaning assigned thereto in Section 2 (1) (a) of the Depositoties Act, 1996.

"Depositories Act" means Depositories Act, 1996 and any statutory modification or re-enactment thereof for the time being in force.

"Depository" means a depository as defined in the Depositories Act, 1996.

"Member" means a duly registered holder from time to time of the shares of the Company and also one whose name is entered as beneficial owner in the records of a Depository in the case of shares held in a Depository.

"Register" shall means Register of Members to be kept as pursuant to Section 150 of the Act and unless it be repugnant to the context or otherwise, the Register of Beneficial Owners in case of shares are held in a Depository.

"Records" includes the records maintained in the form of books or stored in computer in such other forms as may be determined by the regulation made by SEBI.

"SEBI" means the Securities and Exchange



Board of India.

"Securities" means such Securities as may be specified by the SEBI from time to time.

- (b) Securities in depositories to be in fungible form :

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to the depository in respect the securities held by it on behalf of the beneficial owners.

- (c) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996

- (d) Rights of depositories and beneficial owners :

- i) Notwithstanding anything contained in the Act or these Articles a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- ii) Save as otherwise provided in (a) above, the Depository as a registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- iii) Every person holding securities of the Company and whose name is entered as beneficial owner in the records of the Depository shall be deemed to be a member of the company. The Beneficial Owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.

- (e) Transfer of Securities :

Nothing contained in section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

- (f) Distinctive numbers of securities held in a depository :

Nothing contained in the Act or these Articles regarding the necessity of having distinctive number for securities issued by the Company shall apply to securities held with a Depository.

- (g) Register and Index of Beneficial Owners :

The Register and Index of beneficial owners maintained by a Depository under the Depositories Act shall be deemed to be Register and Index of Member and Security holder for the purposes of these Articles.

- (h) Service of Documents :

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

- (i) Other Matters :

Notwithstanding anything contained in these Articles or the Act, the Provisions of Depositories Act, 1996 relating to dematerialisation of securities (including any modification or re-enactment thereof and Rules/Regulation made there under) shall prevail and apply accordingly.

By order of the Board of Directors

Place : Indore

NARENDRA GORANI

Date : 28th July, 2004

(Chairman & Managing Director)

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not to be the member of the Company. The proxy representation must be registered at the registered office of the Company not less than 48 hours before the meeting.



2. Member seeking any information with regard to Annual Accounts of the Company are required to write at least 10 days in advance so as to enable the company to keep the information ready. Replies will be provided only at the meeting.
3. Members who have multiple accounts in identical names or joint names in same order are required to intimate the company the Ledger Folio of such account to enable the company to consolidate all such shareholdings in one account.
4. Members are requested to bring their copy of Annual Report to the Annual General meeting as additional copies will not be circulated at the meeting.
5. Members/ proxies should bring the attendance slip duly filled in for attending the meeting.
6. The Shareholders are requested to inform the change of their address if any to the Company.
7. The Register of Members and the Share Transfer Book of the Company will remain closed from 18th September 2004 to 21st Sept., 2004 (Both days inclusive).
8. At the ensuing Annual General meeting, Shri Anurang Nandecha retire by rotation and being eligible offer himself for reappointment.
Shri Anurang Nandecha aged 47 years . Famous Personality in the filed of Cold Storage and other related business. He has the rich experience in the filed of Real Estate & Enginerring Goods.
9. An explanatory statement as required by section 173 (2) of the Companies Act, 1956 in respect of items no. 4 & 5 set out above is annexed hereto.

By order of the Board of Directors

Place : Indore
Date : 28th July, 2004

NARENDRA GORANI
(Chairman & Managing Director)

EXPLANATORY STATEMENT

(Pursuant to section 173 (2) of the Companies Act, 1956 in respect of item No.4 & 5 contained in the Notice of meeting).

Item 4

Shri Dinesh Kumar Daga aged 47 years is a well known and reputed personality in the field of Accounts & Finance. He is a Commerce graduate and possess rich experience in Industrial Consultancy.

The Board recommend resolution for approval of the shareholders.

None of the Directors except Shri Dinesh Kumar Daga is in any way concerned or interested in the said resolution.

Item 5

In view of the introduction of Depositories Act., the shareholders can now hold in their securities in Electronic Form. Depository system has several advantage over the traditional system such as shares cannot be lost, mutilated, or stolen and transfer/ transmission can be effected immediately without any risk of bad delivery or so.

The new automated system of holding of securities of the company along with traditional system has necessitated certain alteration in the articles of association of the Company.

As per Section 31 of the Companies Act 1956, Articles of Association of the company can be altered by passing special resolution in General Meeting of the shareholders of the company. Therefore the Directors recommend the resolution for approval of the shareholders.

None of the Directors of the company is concerned or interested in the said resolution except to the extent of their shareholding.



DIRECTORS REPORT

To,
The Members,
Gorani Industries Limited

Your Directors have pleasure in presenting the Ninth Annual Report together with the Audited Accounts of the Company for the financial year ended March 31st, 2004.

FINANCIAL RESULT

	(Rs. in Lacs)	
	2003-2004	2002-2003
Sales	415.85	582.13
Operating Profit	61.79	70.72
Interest	28.79	28.92
Depreciation	26.80	26.77
Misc. Expenses Write off	4.15	4.52
Profit /(Loss) for the year	02.05	10.51
Balance Brought Forward	(29.09)	(39.60)
Net Profit/(Loss) Carried to Balance Sheet	(27.05)	(29.09)

PERFORMANCE

During the year under review your Company achieved a turnover of Rs. 415.85 Lacs as against that of Rs. 582.13 Lacs during the last year. The figures of profit before Tax and after tax for the year under review were Rs. 61.79 Lacs and Rs. 2.05 Lacs respectively as compared to Rs. 70.72 Lacs and Rs. 10.51 Lacs during the last year.

The Reduction in turnover was due to poor demand of Kerosene wick stove, which is the major product of the Company. The profit margins were also squeezed despite the best efforts of your directors to control expenses and cost of production. The demand of other products like LPG Stove and Presser Cookers could not be built up due to stiff competition from branded. as will non-branded manufactures all over the country. Your directors keep eye on the market and look forward for other products to be added which can contribute in turnover as well as to the profitability of the company.

Your directors hope that next year performance will be better than this year in all respects.

DIVIDEND

Your Directors do not recommend any dividend for the year as the company has come out with a very nominal profit of Rs. 2.05 lacs during the year and it has been ploughed back to set off accumulated losses.

PUBLIC DEPOSITS

There were no Deposits at the beginning or end of the year and the company did not accept any deposits from the Public during the year.

DIRECTORS

Since the last Annual General Meeting Shri B.K. Gorani and Shri Dinesh Kumar Ajmera resigned from the Board of Directors of the company with effect from 29.10.2003. The board wishes to place on record its appreciation for the valuable guidance extended by them during their association with the company.

In accordance with the provisions of Companies Act, 1956, and the Articles of Association of the Company Shri Anurag Nendecha retire by rotation at this Annual General Meeting of the Company and being eligible, offer himself for reappointment.

Shri Dinesh Kumar Daga, was appointed as additional Director of the Company and hold office up to the date of ensuing Annual General Meeting and is eligible for appointment as Directors of the company.

AUDITORS & THEIR OBSERVATIONS

M/s. A.P. Garg & Co., Chartered Accountants, Indore Auditors of the Company will retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, will be in accordance with Section 224 (1B) of the Companies Act, 1956. The Board recommends their re-appointment. The observations of the auditors referred to in the



Auditors Report have been suitably explained in the Notes on Accounts.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Management discussion and analysis and Corporate Governance report together with the auditors, certificate on compliance of conditions of Corporate Governance form part of this Annual Report.

DELISTING OF SHARES

Pursuant to the revised SEBI Guidelines on voluntary delisting and the approval obtained from the shareholders in the last AGM, the equity shares of the company during the year were delisted from Delhi and Ahmedabad stock exchange and formal approval of delisting from the Indore the Jaipur Stock Exchange are awaited. The shares will continue to be listed on BSE.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to sub-section (2AA) of Section 217 of the companies Act, 1956, the board of Directors of the Company hereby state and confirm that:

1. In the preparation of the Annual Accounts the applicable accounting standards have been followed along with proper explanation relating to material departure.
2. The directors have selected such accounting policies 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 and of the profit of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on a going concern basis.

PERSONNEL

No employee has been paid remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information relating to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required 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, is given in Annexure -1 forming part of this Report.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the assistance and support extended by the Financial Institutions, Commercial Bank, Shareholders, Customers, Staff and Workers of the Company.

Place : Indore
Date : July 28th, 2004

For and on Behalf of the Board
Narendra Gorani
Chairman & Managing Director