

14th ANNUAL REPORT

2001-2002



SHRI GANESH SPINNERS LIMITED

SHRI GANESH SPINNERS LTD.**14TH ANNUAL GENERAL MEETING**

FRIDAY, THE 12TH SEPTEMBER, 2002 AT 11.30 A. M. AT G. T. ROAD KARNAL SIDE, VILLAGE SIMLA
MOLANA ROAD, PANIPAT-132103 (HARYANA)

REGISTERED OFFICE & WORKS

G. T. ROAD KARNAL SIDE, VILLAGE SIMLA MOLANA ROAD,,PANIPAT-132103 (HARYANA)

BOARD OF DIRECTORS

SH. MAHESH KR. JAIN	-	CHAIRMAN CUM MANAGING DIRECTOR
SH. SITA RAM MANGLA	-	WHOLE TIME DIRECTOR
SH. GIRISH KUMAR	-	EXECUTIVE DIERECTOR
SH. SURINDER KUMAR SINGLA	-	EXECUTIVE DIRECTOR
SH. RAJIV KR. GUPTA	-	NON EXECUTIVE DIRECTOR
SH. PAWAN KUMAR	-	NON EXECUTIVE DIRECTOR
SH. SURESH KR. BANSAL	-	NON EXECUTIVE DIRECTOR
SH. NEERAJ SHARMA	-	NON EXECUTIVE DIRECTOR

AUDIT COMMITTEE

SH. RAJIV KR. GUPTA	-	CHAIRMAN
SH. PAWAN KUMAR	-	MEMBER
SH. SURESH KR. BANSAL	-	MEMBER
SH. NEERAJ SHARMA	-	MEMBER

AUDITORS

ANIL AVIRAL & CO.
CHARTERED ACCOUNTANTS

COMPANY SECRETARY

SH. SARAN KUMAR

COST AUDITORS

J. P. GUPTA & CO.,
COST ACCOUNTANTS
C-4F/89, JANAK PURI, NEW DELHI-110058.

REGISTRAR & SHARE TRANSFER AGENTS

IN HOUSE SHARE REGISTRY
3, COMMUNITY CENTRE,
NARAINA, PHASE-1, NEW DELHI-110028.

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NOTICE

Notice is hereby given that the XIV th Annual General Meeting of Shri Ganesh Spinners Limited will be held on Friday, the 12th day of September 2002 at 11.30 a. m. at Registered Office of the company i. e. G. T. Road Karnal Side, Village Simla Molana, Panipat-132103 (Haryana) to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2002 and reports of the Board of Directors and Auditor's thereon.
2. To appoint Director in place of Sh. Surinder Kumar Singla who retire by rotation and being eligible offer himself for reappointment.
3. To appoint M/s. Anil Aviral & Co., Chartered Accountants, as auditors to hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification, the following resolutions as an ordinary resolution :-
 "Resolved that Sh. Suresh Bansal, who was appointed as an additional Director of the company by the Board of Directors and who holds office as per section 260 of the Companies Act, 1956 upto the date of this Annual General Meeting and in respect of whom the company has, pursuant to section 257 of the Companies Act, 1956 received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a director of the company, liable to retire by rotation."
5. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution :-
 "Resolved that Sh. Neeraj Sharma, who was appointed as an additional Director of the company by the Board of Directors and who holds office as per section 260 of the Companies Act, 1956 upto the date of this Annual General Meeting and in respect of whom the company has, pursuant to section 257 of the Companies Act, 1956 received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a director of the company, liable to retire by rotation."

NOTES

1. A member entitled to attend the meeting is entitled to appoint proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company not less than 48 hours before the time for holding the aforesaid meetings.
2. Member/Proxies should fill in the Attendance slip for attending the meeting.
3. The Register of members and the share transfer book shall remain closed from 1st September 2002 to 12th September, 2002 (both days inclusive).
4. Members seeking any information with regard to accounts are requested to write the company at the earliest so as to enable the management to keep the information ready.
5. Members are requested to intimate the company change of address, if any, immediately, for updating of records.
6. Members who are registered under two or more folios are requested to write to company for consolidation of folios.

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7. Members are requested to bring their copy of Annual Report along with them to the meeting as copies of Annual Report shall not be distributed at the meeting.

EXPLANATORY STATEMENT

The Explanatory Statement under section 173(2) of the Companies Act, 1956 for item 4 to 5 of the accompanying Notice is as under :-

ITEM NO. 4

Shri Suresh Bansal, who was appointed as Additional Director of the company by the Board of Directors of the company. In terms of as per section 260 of the Companies Act, 1956 holds the office upto the date of this Annual General Meeting. The company has received valid notice and requisite deposit from a member of the company under section 257 of the Companies Act, 1956, proposing the candidature of the Sh Suresh Bansal for the office of the director. In view of the back ground and experince, it will be in the interest of the company that Sh. Suresh Bansal continues as director of the company.

Yours directors recommend the resolution for the approval of the members.

Sh. Suresh Bansal is interested in the resolution as it relates to his appointment. None of the other Director of the Company is, in any way, concerned or interested in the resolution.

ITEM NO. 5

Shri Neeraj Sharma, who was appointed as Additional Director of the company by the Board of Directors of the company. In terms of as per section 260 of the Companies Act, 1956 holds the office upto the date of this Annual General Meeting. The company has received valid notice and requisite deposit from a member of the company under section 257 of the Companies Act, 1956, proposing the candidature of the Sh. Neeraj Sharma for the office of the director. In view of the back ground and experince, it will be in the interest of the company that Sh. Neeraj Sharma continues as director of the company.

Yours directors recommend the resolution for the approval of the members.

Sh. Neeraj Sharma is interested in the resolution as it relates to his appointment. None of the other Director of the Company is, in any way, concerned or interested in the resolution.

By the order of the Board
For **SHRI GANESH SPINNERS LIMITED.**

MAHESH KR, JAIN
Managing Director

PANIPAT : July 25, 2002

SHRI GANESH SPINNERS LTD.**DIRECTORS REPORTS**

To
The Members,

Your Directors have pleasure in presenting the XIVth Annual Report together with audited account for the year ended on 31st March, 2002.

FINANCIAL RESULTS

The financial results for the year ended on March 31, 2002 are as under :-

Particulars	(Rs. in Lacs)	
	Year Ended <u>31.03.2002</u>	Year Ended <u>31.03.2001</u>
1. Net Sales	1098.70	1168.45
2. Other Income	3.45	3.71
3. Total Expenditure		
(a) Increase/decrease in stock in trade	-84.26	-35.52
(b) Material Consumed	869.83	834.30
(c) Staff Cost	47.30	44.42
(d) Other Expenses	214.91	248.08
4. Interest & Financial Charges	24.22	26.06
5. Depreciation & Misc. Exp. written off	47.93	47.80
6. Profit before Tax	-17.77	4.01
7. Provision for taxation	0.00	0.34
8. Net Profit after Tax	-17.77	3.67
9. Paid up Equity Share Capital	506.53	506.53
10. Revenue Reserve	-5.03	14.16
11. E. P. S.	-0.35	0.08
12. Cash E. P. S.	0.60	1.02
13. Book Value per Share	9.73	10.06

COMPANY PERFORMANCE

During the year ended on March 31st, 2002, the company has achieved turnover of Rs. 1098.70 lacs as compared to previous year of Rs. 1168.45 lacs. The company has suffered loss of Rs. 17.77 Lacs in comparison to profit of Rs. 3.67 Lacs in the previous year 2000-2001.

DIRECTORS

Sh. Surinder Kumar Singla, director of the company who retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

Apart from the above, Sh. Phool Chand Gupta and Sh. Rajesh Kr. Gupta has been resigned from the directorship of the company and also from the membership of Audit Committee.

During the year, Sh. Suresh Kr, Bansal and Sh. Neeraj Sharma, were appointed as an Additional Directors of the company. They hold the office of the company as Directors upto the date of this Annual General Meeting of the Company. The Company has received a notice under section 257 of the Companies Act, 1956 proposing their appointment as director, subject to the retirement by rotation.

DIRECTORS' RESPONSIBILITY STATEMENT

Persuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed :

- (i). that in the preparation of the annual accounts for the financial year ended 31st March, 2002 the applicable accounting standards had been followed alongwith proper explanation relating to material departure, if any.

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- (ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the company for the year under review.
- (iii) that the directors had taken proper and sufficient care 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 directors had prepared the accounts for the financial year ended 31st March, 2002 on a "going concern" basis.

DELISTING OF SHARES

The company has already been applied to Jaipur Stock Exchange for delisting of shares.

AUDITORS

Anil Aviral & Co., Chartered Accountants, auditors of the company hold office till the conclusion of ensuring Annual General Meeting and are eligible for reappointment. The company has received a letter from Anil Aviral & Co. to the effect that their appointment as Auditors, if made, would be within limits under section 224(I-B) of the Companies Act, 1956.

COST AUDITORS

Persuant to the order of the Ministry of Law, Justice & Company Affairs, Govt. of India for the appointment of Cost Auditors, J. P. Gupta & Co., Cost Accountants were appointed as Cost Auditors for the Financial Year 2001-02.

PARTICULARS OF EMPLOYEES

No Employee is covered under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

OTHER PARTICULARS

The provisions relating to the conservation of energy and technology absorption as required to be disclosed by section 217 (1)(e) of the Companies Act, 1956 are given in the Annexure-I attached herewith. During the year, the company has imported stores and spares valuing US\$2368. However, there is no inflow of foreign exchange.

ACKNOWLEDGEMENT

Your directors wish to place on record their appreciation for the co-operation and support extended by the government authorities, banker, share holders & members & the staff all the levels.

By the order of the Board
For **SHRI GANESH SPINNERS LIMITED**

PANIPAT : July 25, 2002

MAHESH KUMAR JAIN
Managing Director

SHRI GANESH SPINNERS LTD.

ANNEXURE-I TO DIRECTOR'S REPORT
INFORMATION REQUIRED UNDER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956

	31.03.2002	31.03.2001
(A) CONSERVATION OF ENERGY :		
A. POWER AND FUEL CONSUMPTION		
1. ELECTRICITY		
(a) <u>PURCHASED</u>		
Unit	Nil	Nil
Total Amount	Nil	Nil
Rate/Unit	Nil	Nil
(b) <u>OWN GENERATOR</u>		
i) Through Diesel Generator Unit	2900518	3344300
Unit per litres of Diesel Oil	2.65	2.65
Cost/Unit	5.82	5.25
2. COAL		
Quantity (Tonnes)	Nil	Nil
Total Amount	Nil	Nil
Average Rate	Nil	Nil
3. FURNACE OIL		
Quantity (K. Ltrs.)	Nil	Nil
Total Amount	Nil	Nil
Average Rate	Nil	Nil
4. OTHER/INTERNAL GENERATION		
Unit	Nil	Nil
Total Amount	Nil	Nil
Rate/Unit	Nil	Nil
(B) CONSUMPTION PER UNIT OF PRODUCTION		
Standard (if any)		
Electricity (KWH per Kg.)	Nil	1.94
Furnace Oil	Nil	2.24
Coal	Nil	Nil
Others	Nil	Nil

(C) TECHNOLOGY ABSORPTION

There has been no technology absorption during the year as there is no collaboration for the same purpose.