

**13<sup>th</sup>**  
**Annual**  
**REPORT**  
**2000-2001**



**SHRI GANESH SPINNERS LIMITED**

**SHRI GANESH SPINNERS LTD.****13TH ANNUAL GENERAL MEETING**

FRIDAY, THE 28TH SEPTEMBER, 2001 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 DIRECTOR
SH. SURINDER KUMAR SINGLA	-	EXECUTIVE DIRECTOR
SH. RAJIV KUMAR GUPTA	-	NON EXECUTIVE DIRECTOR
SH. PHOOL CHAND GUPTA	-	NON EXECUTIVE DIRECTOR
SH. PAWAN KUMAR	-	NON EXECUTIVE DIRECTOR

**AUDIT COMMITTEE**

SH. RAJIV KR. GUPTA	-	CHAIRMAN
SH. PHOOL CHAND GUPTA	-	MEMBER
SH. RAJESH KR. GUPTA	-	MEMBER
SH. PAWAN KUMAR	-	MEMBER

**AUDITORS**

ANIL AVIRAL & CO.,  
CHARTERED ACCOUNTANTS

**COST AUDITORS**

J.P. GUPTA & CO.,  
COST ACCOUNTANTS

**REGISTRAR & SHARE TRANSFER AGENTS**

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

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## **NOTICE**

Notice is hereby given that XIIIth Annual General Meeting of the members of Shri Ganesh Spinners Limited will be held on Friday, the 28th day of September, 2001, at 11.30 A.M. at Registered office of the company at G.T. Road, Karnal Side, Village Simla Molana Road, Panipat-132103 (Haryana) to transact the following business :-

### **ORDINARY BUSINESS**

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2001 and the reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Sh. Girish Kumar Aggarwal 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 modifications the following resolutions as an ordinary resolution :-  
 "Resolved that Sh. Rajiv Gupta, 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 resolutions as an ordinary resolution :-  
 "Resolved that Sh. Phool Chand Gupta, 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."
6. To consider and if thought fit, to pass, with or without modifications the following resolutions as an ordinary resolution :-  
 "Resolved that Sh. Rajesh Gupta, 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."
7. To consider and if thought fit, to pass, with or without modifications the following resolutions as an ordinary resolution :-  
 "Resolved that Sh. Pawan Kumar, 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."

**SHRI GANESH SPINNERS LTD.****NOTE**

1. A member entitled to attend the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not to 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 meeting.
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 16th September 2001 to 28 September 2001 (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.
7. Members are requested to bring their copy of Annual Report alongwith 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 7 of the accompanying Notice is as under :-

**Item No. 4**

Shri Rajiv Kr. Gupta 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. Rajiv Kumar Gupta for the office of the director. In view of the back ground and experience, it will be in the interest of the company that Sh. Rajiv Kumar Gupta continues as a director of the company.

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

Sh. Rajiv Kumar Gupta is interested in the resolution as it relates to his appointment. None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

**Item No. 5**

Shri Phool Chand Gupta 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. Phool Chand Gupta for the office of the director. In view of the back ground and experience, it will be in the interest of the company that Sh. Phool Chand Gupta continues as a director of the company.

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

Sh. Phool Chand Gupta is interested in the resolution as it relates to his appointment. None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

**SHRI GANESH SPINNERS LTD.****Item No. 6**

Shri Rajesh Gupta 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. Rajesh Gupta for the office of the director. In view of the back ground and experience, it will be in the interest of the company that Sh. Rajesh Gupta continues as a director of the company.

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

Sh. Rajesh Gupta is interested in the resolution as it relates to his appointment. None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

**Item No. 7**

Shri Pawan Kumar 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. Pawan Kumar for the office of the director. In view of the back ground and experience, it will be in the interest of the company that Sh. Pawan Kumar continues as a director of the company.

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

Sh. Pawan Kumar is interested in the resolution as it relates to his appointment. None of the other Directors 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 KUMAR JAIN**  
Managing Director

PANIPAT : 13.08.2001

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**SHRI GANESH SPINNERS LTD.****DIRECTOR'S REPORT**

To  
The Members,

Your Directors have pleasure in presenting the 13th Annual Report alongwith the Audited Accounts for the year ended on March 31st, 2001.

**FINANCIAL RESULTS**

The financial results for the year ended on March 31, 2001 are as under :-

<u>PARTICULARS</u>	(Fig. in Lacs)	
	Year Ended <u>31.03.2001</u>	Year Ended <u>31.03.2000</u>
1 Net Sales	1168.45	1304.78
2 Other Income	3.71	6.46
3 Total Expenditure		
(a) Increase/ decrease in Stock in trade	-32.52	26.37
(b) Material Consumed	834.30	925.89
(c) Staff cost	44.42	50.16
(d) Other Expenses	248.08	209.32
4 Interest & Financial Charges	26.06	37.26
5 Depreciation & Misc. Exp. Written off	47.80	47.75
6 Profit before tax	4.01	14.49
7 Provision for taxation	0.34	1.67
8 Net Profit after tax	3.67	12.81
9 Paid up Equity Share Capital	506.53	506.53
10 Revenue Reserves	14.16	10.52
11 E.P.S.	0.08	0.25
12 Cash EPS	1.02	1.10
13 Book value per share	10.06	9.95

**COMPANY'S PERFORMANCE**

During the year ended on March 31st, 2001, the company has achieved turnover of Rs. 1168.45 lacs as compared to previous year of Rs. 1304.78 lacs. The company has earned profit of Rs. 3.67 lacs in comparison to Rs. 12.81 lacs in the previous year 1999-2000. There is down fall in sale and profit due to slump in the over all market.

**DIRECTORS**

Sh. Girish Kumar Aggarwal, 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. Rajiv Kr. Gupta, Sh. Phool Chand Gupta, Sh. Rajesh Kr. Gupta & Sh. Pawan Kumar were appointed as an additional directors of the company. They hold the office of the company as director 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.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

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

**SHRI GANESH SPINNERS LTD.**

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2001 the applicable accounting standards had been followed alongwith proper explanation relating to material departure, if any.
- (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 had for preventing and detecting fraud and other irregularities.
- (iv) that the directors had prepared the accounts for the financial year ended 31st March, 2001 on a "going concern" basis.

**AUDITORS**

Anil Aviral & Co., Chartered Accountants, Auditors of the Company, hold office till the conclusion of ensuing 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(1-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 Auditor for the Financial Year 2000-01.

**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 & of the staff at all levels.

For & on behalf of the Board of Directors

For Shri Ganesh Spinners Limited

**MAHESH KUMAR JAIN**  
Managing Director

PANIPAT : 13.08.2001