

SURAJ VANASPATI LIMITED

Report  Junction.com

**18TH
ANNUAL REPORT
2006-2007**

**SURAJ VANASPATI LIMITED**

BOARD OF DIRECTORS**Whole Time Director**

Shri Gopal Das Aggarwal

Directors

Shri S.K.Jain

Shri Inder Mani Mittal

Shri Sanam Gambhir

Vice President &**Company Secretary**

Shri G.S.Khurana

Bankers

Punjab National Bank

Auditors

M/s Tas Associates

Registered OfficeA-26, UPSIDC Industrial
Area, Sikandrabad,
Distt. Bulandshahr, U.P.**Corporate Office**

A-8, SECTOR 19 NOIDA, U.P.

Share Transfer AgentBeetal Financial & Computer
Services (P) Ltd.
Beetal House, 3rd Floor,
99, Madangir, New Delhi.



SURAJ VANASPATI LIMITED

NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Suraj Vanaspati Limited will be held on Saturday the 29th day of December, 2007, at 10:00 A.M. at the Registered Office of the Company at A-26, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar (U.P) to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June, 2007 and the Profit & Loss Account for the year ended on that date and report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri S.K.Jain, who retires by rotation and being eligible offer himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the Next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

"Resolved that Shri Sanam Gambhir who was appointed as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 to hold such office until the date of this Annual General Meeting be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

5. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"Resolved that subject to the approval of the members in the General Meeting and pursuant to section 198, 269, 309 and 310 read with schedule XIII and other applicable provisions if any of the companies act, 1956, the consent and approval of the company be and is hereby accorded to the re-appointment of Shri Gopal Das Aggarwal as Whole Time Director of the company in accordance with schedules XIII of the companies act, 1956 to hold office for a period of two year w.e.f 28.1.2007 on a total monthly remuneration of Rs. 12,045/- per month(Gross) to be approved by a Remuneration Committee hereby specifically sanctioned with liberty to the Remuneration Committee/Board of Directors to alter and vary the terms and conditions of the said agreement and/or agreements so as not to exceed the limits specified therein, or in any amendments and/or modifications that may hereafter be made in schedule XIII and other applicable provision by the Central Government or as may be agreed between the Board of Directors and Shri Gopal Das Aggarwal.

Resolved further that where in any financial year closing on and/or after 1st April, 2007 the company has no profits or its profits are inadequate the company may pay Shri Gopal Das Aggarwal by way of salary, perquisite and other allowances as mentioned in the agreement and approved by the Board of Directors and Remuneration Committee and to be within limit specified under section II of part II of Schedule XIII of Companies Act.

Resolved further that the board of directors of the company be and are hereby authorised to take such steps as may be necessary to give effect to this resolution."

6. To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :

"Resolved that subject to the approval of the Central Government under Section 21 of the companies act, 1956, the name of the company be changed from Suraj Vanaspati Limited to Shri Gang Industries and Allied Products Limited with effect from the date of issue of Certificate of Incorporation by the Registrar of Companies, Uttar Pradesh in that behalf, and accordingly the name of Suraj Vanaspati Limited wherever it occurs in the Memorandum and Articles of Association of the company be substituted by the name of



SURAJ VANASPATI LIMITED

Shri Gang Industries and Allied Products Limited.”

Resolved further that the board of directors of the company be and are hereby authorized to take such steps as may be necessary to give effect to this resolution.”

By order of the Board

For Suraj Vanaspati Limited

Place : Noida
Date : 26.11.2007

Sd/-
(G.S.Khurana)
Vice President & Company Secretary

Registered Office:
A-26, UPSIDC Industrial Area,
Sikandrabad, Distt. Bulandshahar (U.P.)

NOTES :

1. The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business under items 4 to 6 set out above are annexed hereto.
2. A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company, Proxy in order to be effective, must reach the Registered Office of the company duly stamped, not less than 48 hours before the time fixed for the meeting. Proxy Form is enclosed.
3. The Register of Members and Share Transfer Book, of the company will remain closed from Thursday the 27th December, 2007 till Saturday, the 29th December, 2007 (Both days inclusive).
4. Members are requested to bring their copy of Annual Accounts at the meeting, as extra copies may not be available.
5. Members are requested to notify immediately any change in their address, quoting folio numbers to the company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 4

The Board of Directors appointed Shri Sanam Gambhir as additional Director of the Company in accordance with Article 80 of the Articles of Association of the Company and section 260 of the Companies Act, 1956 to hold office upto the date of ensuing Annual General Meeting. The Company has received a notice from shareholder u/s. 257 of the Companies Act, 1956 along with Rs.500/- proposing the candidature of Shri Sanam Gambhir for the office of Director.

Your Directors recommend the resolution set out at item no. 4 for your approval.

None of the Directors except Shri Sanam Gambhir is interested in the resolution.

ITEM NO. 5

Shri Gopal Das Aggarwal was appointed as Whole Time Director by the Board of Directors in their meeting held on 30th January, 2007 subject to the approval of members in the ensuing Annual General Meeting. The appointment of Shri Gopal Das Aggarwal as Whole Time Director of the company was made w.e.f. 28.01.2007 for a period of two year upto the conclusion of 19th Annual General Meeting on a total monthly remuneration of Rs. 12,045/-(Gross) per month.

The details of remuneration paid w.e.f. 28.01.2007 to the Whole Time Director are given below :



SURAJ VANASPATI LIMITED

- 1) Basic Salary Rs. 6850/- P.M.
- 2) House Rent Allowance of Rs.1370/- P.M.
- 3) Other Allowances Rs. 1825/- P.M.
- 4) Perquisites: To be paid to Whole Time Director as mentioned below:
 - i) Company's Contributions to Provident Fund: As per Rules of the Company, but not exceeding 12% of the salary, as laid down in the Income Tax Rules, 1962.
 - ii) Medical Reimbursement for self and family : Rs.571/- P.M.
 - iii) Conveyance to be paid to Whole Time Director : Rs.500/- P.M.
 - iv) Adhoc Allowance to be paid to Whole Time Director : Rs.929/- P.M.

Your Directors recommend the resolution set out at Item No. 5 for your approval and ratification.

None of the Directors except Shri Gopal Das Aggarwal is interested in the said resolution.

ITEM NO. 6

The Board of Directors in their meeting held on 31st October, 2007 unanimously decided to change the name of the company and to substitute with some religious name with the sole purpose to increase the operational efficiency of the company. The new name of the company shall be subject to the approval of Members by passing a special resolution in General Meeting and subject to the approval of Central Government under section 21 of the companies act. Accordingly the company applied for the availability of names to the Registrar of Companies U.P. and the name of Shri Gang Industries and Allied Products Limited is available for change. The board in their meeting held on 26th November 2007 approved the name of Shri Gang Industries and Allied Products Limited as new name of the company subject to necessary approvals. The approval of the shareholders is solicited for Shri Gang Industries and Allied Products Limited as New name of the company w.e.f. the date of issue of Certificate of Incorporation by Registrar of Companies, U.P.

Your Directors recommend the resolution set out at item no. 6 for your approval.

None of the Directors is interested in the resolution.

By order of the Board
For Suraj Vanaspati Limited

Place : Noida
Date : 26.11.2007

Sd/-
(G.S.Khurana)
Vice President & Company Secretary

Registered Office:
A-26, UPSIDC Industrial Area,
Sikandrabad, Distt. Bulandshahar (U.P.)

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT OR SEEKING ELECTION AT THE ANNUAL GENERAL MEETING

Shri S.K.Jain is a Chartered Accountant by profession and has over 20 years of rich experience in Industry, Commerce and Business and seeking his re-appointment as an Independent director of the company.

Other Directorship	Name of the Committee
Name of the Company	Name of the Committee
Skylords Holding. Com.Pvt.Ltd. - Director	Suraj Industries Limited-Audit Committee-Member
Suraj Industries Limited	Suraj Vanaspati Limited -Audit Committee-Member



SURAJ VANASPATI LIMITED

DIRECTORS' REPORT

To the Members,

Your directors have pleasure in presenting their Eighteenth Annual Report along with the Audited Statements of Account for the year ended June 30, 2007.

Financial Results

Financial Results for the year's operations and the comparative figures of the previous year are summarised below:

	Year ended June 30, 2007	(Rs. In Lacs) Year ended June 30, 2006
Sales	15141.32	13186.35
Profit before Financial Charges & Depreciation	(546.95)	(648.58)
Financial Charges	61.12	65.34
Depreciation	96.00	96.61
Extra Ordinary Expenses :		
Prior period Expenses	4.95	7.72
Provision for diminution in value of Investments	-	(1.50)
Net Profit/(Loss) before Tax	(709.02)	(816.75)
Income Tax (Fringe Benefit Tax)	2.61	2.76
Net Profit (Loss) for the year	(711.63)	(819.51)

APPROPRIATIONS

Dividend	-	-
Transfer to General Reserve	-	-
Loss brought forward	(2830.34)	(2010.83)
Transfer from Investment allowance reserves	-	-
Balance in profit & Loss Account carried to Balance sheet	(3541.98)	(2830.34)

Dividend

In view of Company's Financial Position, the Directors are unable to recommend any dividend. The company's share are listed at Mumbai Stock Exchange and the company has deposited the listing fee to the Mumbai Stock Exchange for the year 2007—2008 pursuant to clause 38 of the listing agreement.

Operations

During the year under review the company has incurred a loss of Rs.711.63 lacs. The major factor for the loss was continuing imports of duty free Vanaspati from Sri Lanka under the Free Trade Agreement. This was in addition to the duty free import of Vanaspati from Nepal. The market conditions were also affected because of distorted import duty structure on edible and non-edible grades of Palm oil. As a result of this the company has incurred loss in this year as well.

Deposits

During the year the company has not accepted any public deposits. However, the company has accepted the deposits from the specified persons in earlier years and the statement in lieu of advertisement has been filed with



SURAJ VANASPATI LIMITED

the Registrar of Companies for those years. However there is no default in repayment of any deposit.

Directors

Shri S. K. Jain, Directors retires by rotation and being eligible offers himself for re-appointment. During the year Shri Sanam Gambhir was appointed as an Additional Director under section 260 of the Companies Act, 1956. The company has received notice from a member under section 257 of the Companies Act, 1956 proposing the appointment of Shri Sanam Gambhir as regular director of the company.

During the year, Shri J.K.Jain resigned from the Post of Managing Director and Directorship of the company. The expertise and invaluable guidance of Shri J.K.Jain have helped the company to a greater extent in forging ahead. The Board places on record its deep appreciation and gratitude for the valuable advise, guidance, assistance and service rendered by him during his tenure on the board.

Directors' Responsibility Statement

Pursuant to the provisions contained in section 217(2AA) of the Companies Act, 1956, the Directors of your company confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.
- That they have selected such accounting policies and applied them consistently and made judgements 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 2006-2007 and of the loss of the company for that period.
- That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company for preventing and detecting fraud and other irregularities.
- That they have prepared the annual accounts on a going concern basis.

Audit Committee

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement for Corporate Governance your company has constituted the Audit Committee of the Board of Directors with the following composition:

1. Shri Gopal Das Aggarwal
2. Shri S.K.Jain
3. Shri Inder Mani Mittal

This committee has reviewed the Accounts for the year ended June 30, 2007.

Corporate Governance

SVL continues to function in a transparent manner with the basic philosophy to create wealth, besides taking care of the interest of all stakeholders including shareholders, banks, Financial Institutions, customers, Employees and the society at large.

Your company gives due emphasis on the adaptability to such procedures so as to ensure transparency, accountability & integrity in all respect. A separate section on Corporate Governance and a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate governance as stipulated under clause 49 of the Listing Agreement with the stock exchanges from part of the Annual Report.

Auditors

M/s Tas Associates, Chartered Accountants, Auditors of the company hold office until the conclusion of ensuring Annual General Meeting and your directors recommended their re-appointment. The company has received the requisite certificate from M/s Tas Associates, Chartered Accountants to the effect that their re-appointment of



SURAJ VANASPATI LIMITED

effected, would be within the limits prescribed u/s 224(1-B) of the Companies Act, 1956.

Insurance

All the insurable interest of the company including inventories, building and plant & machinery under legislative enactments are adequately insured.

Disclosure of Particulars

As required by the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, the relevant information and data is given in Annexure I to this Report.

Industrial Relations

The Industrial Relations have continued to be stable and harmonious during the course of the year. Your company has made sustained efforts to improve manpower productivity and employer-employee relations.

As required under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rules, 1957 as amended, the names and other particulars of the employees are set out in Annexure II hereto forming part of this report.

Acknowledgement

We wish to place on record our sincere appreciation of the continued valuable, co-operation, guidance and support provided to the company by financial institution viz, IDBI its bankers Punjab National Bank, Directorate of Vanaspati, Government of Uttar Pradesh and the local authorities.

The directors also express their thanks to the large number of customers and associate for their patronage.

In the end, your directors wish to place on record their deep appreciation of the enthusiasm, initiative and hard work put in by the staff and workers of the company at all levels which enables your company to make all round progress.

For and on behalf of the Board
For Suraj Vanaspati Limited

Place : Noida
Date : November 26, 2007

Sd/-
(Gopal Das Aggarwal)
Whole Time Director

Sd/
(S.K.Jain)
Director



SURAJ VANASPATI LIMITED

ANNEXURE - I

ANNEXURE TO DIRECTOR'S REPORT

INFORMATION AS PER SECTION 217(1)(E) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED JUNE 30, 2007.

I. Conservation of Energy :

- i) Plate Heat Exchanger has been installed to improve the efficiency of Refrigeration plant consequently reducing the cooling time for vanaspati.
- ii) Steam condensate is being used in boiler to reduce the consumption of Rice husk.
- iii) Water recovery system has been installed to re-circulate waste water through cooling tower resulting in saving of water and power.
- iv) Details of total energy consumption and energy consumption per unit of Production as per Form 'A' are given hereunder :

	Year ended June 30, 2007	(Rs. In Lacs) Year ended June 30, 2006
POWER AND FUEL CONSUMPTION		
1. Electricity		
a. Purchased		
Units (KWH)	5111967	5362210
Total amount (Rs. Lacs)	222.97	233.88
Rate / Unit (Rs.)	4.36	4.36
b. Own Generation		
Through Diesel Generator		
Units	365365	661901
Units per Litre of Diesel Oil	2.88	2.95
Cost/ Unit	10.24	9.31
Through Steam Turbine / Generator Units	N.A	N.A
Units per Litre of Fuel	N.A	N.A
Oil/ Gas	N.A	N.A
Cost/ Unit	N.A	N.A
2. Coal (Specify quantity and where used)	N.A	N.A
3. Furnace Oil	N.A	N.A
4. Other / Internal Generation		
a. De-oiled Rice Husk (for Boiler)		
Quantity (MT)	9966.00	11176.00
Total Cost (Rs. Lacs)	246.86	231.63
Rate / MT (Rs.)	2477.05	2072.56
b. Diesel & Other (For Process House)		
Quantity Litres	600	3227
Total Cost (Rs. Lacs)	0.18	0.89
Average Rate (Rs.)	29.53	27.47



SURAJ VANASPATI LIMITED

5. Consumption per unit (MT) of production

Production (Tones)	29927.887	30659.101
Electricity (KWH)	170.81	196.49
Diesel & Other (Litres)	0.02	0.11
Coal	-	-
De-oiled Rice Husk (Kg.)	333.00	364.52

II. Technology Absorption:

Research & Development

The company has installed various laboratory equipments to monitor and reduce oil losses.

The company has started physical refining oils resulting in reduced cost of production.

Future Action Plan

R & D effort is going on to make special grade Bakery Fats with better baking properties

Technology Absorption, Adaptation and Innovation

The continuous process technology used by the company is updated one. The company has not imported any technology for its products and it has no technical collaboration with any foreign party.

III. Foreign Exchange Earnings & Outgo - Nil

For and on behalf of the Board
For Suraj Vanaspati Limited

Place : Noida
Date : November 26, 2007

Sd/-
(Gopal Das Aggarwal)
(Whole Time Director)

Sd/-
(S.K. Jain)
Director

ANNEXURE TO THE DIRECTOR'S REPORT

ANNEXURE - II

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217(2A) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE DIRECTORS REPORT FOR THE PERIOD ENDED JUNE 30, 2007.

Sl. No.	Name	Age	Qualification	Designation/ Nature of Duties	Date of Commencement of Employment	Remuneration (Rs.)	Experience (Yrs.)	Last Employment Held & Name of the Organisation	Designation
---------	------	-----	---------------	-------------------------------------	--	-----------------------	----------------------	--	-------------

-NIL

For and on behalf of the Board
For Suraj Vanaspati Limited

Place : Noida
Date : November 26, 2007

Sd/-
(Gopal Das Aggarwal)
(Whole Time Director)

Sd/-
(S.K. Jain)
Director