

# **SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED**



**21ST  
ANNUAL REPORT  
2009-2010**

## BOARD OF DIRECTORS

### Chairman

Shri J.K.Jain

### Whole Time Director

Shri Gopal Das Aggarwal

### Directors

Shri Rajesh Kumar Gupta

Shri Gyan Chand Jain

Shri Narender Singh

### Bankers

Punjab National Bank

HDFC BANK

### Auditors

M/s Tas Associates,

Chartered Accountants

11/71, Punjabi Bagh (West)

New Delhi - 110 026

### Registered Office

A-26, UPSIDC Industrial

Area, Sikandrabad,

Distt. Bulandshahr - -203 205 (U.P.)

### Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd.

Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,

New Delhi - 110 062

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**NOTICE**

Notice is hereby given that the Twenty First Annual General Meeting of the Members of **Shri Gang Industries & Allied Products Limited** will be held on Monday the 27th day of December, 2010 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 businesses:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June, 2010 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 Gopal Das Aggarwal, who retires by rotation and being eligible offer himself for re-appointment.
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 Rajesh Kumar Gupta 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 Shri Gyan Chand Jain 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."
6. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution :  
"Resolved that Shri Narender Singh 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."
7. To consider and if thought fit, to pass with or without modifications, the following resolution as an Special Resolution :  
"Resolved that 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 members of the Company be and is hereby accorded to the re-appointment of Shri J.K.Jain as Whole Time Director of the company in accordance with schedules XIII of the Companies Act, 1956 to hold office for a period of one year from the date of conclusion of the twenty first Annual General Meeting on a total monthly remuneration of Rs. 50,250/- per month as approved by the Remuneration Committee as set out in the explanatory statement to this resolution.

Resolved further that where in any financial year closing on and/after 1st April, 2010 the company has no profits or its profits are inadequate the company may pay Shri J K Jain by way of salary, perquisite and other allowances as 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 no remuneration shall be paid to Shri J K Jain, Whole Time Director till the effective capital of company become positive.

Resolved further that the Board of Directors of the company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

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

"Resolved that 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 members 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 Part I of Schedule XIII of the Companies Act, 1956 to hold office for a period of one year from the date of conclusion of the twenty first Annual General Meeting on a total monthly remuneration of Rs. 15,000/- per month as approved by the Remuneration Committee as set out in the explanatory statement to this resolution.

Resolved further that where in any financial year closing on and/or after 1st April, 2010 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 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 no remuneration shall be paid to Shri Gopal Das Aggarwal, Whole Time Director till the effective capital of company become positive.

Resolved further that the Board of Directors of the company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

**9. To consider, and if thought fit, to pass with or without modifications, the following resolutions as a special resolution:**

"RESOLVED THAT pursuant to the provisions of Section 17 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and as may be enacted from time to time, the Memorandum of Association of the Company be and is hereby altered and extended by inserting the following sub-clauses as new sub-clauses no. 57, 58, 59 and 60 after the existing sub-clause 56 of Clause III (C) of the Memorandum of Association of the Company.

"57. To provide consultancy services to the industries in India and abroad for hiring and training personnel and advices/services in various fields like Finance, Management, Investment Project, Capital Market, Marketing and market Search, Corporate Matters, Accountancy, Business Commercial Economic, Industrial Matters including taxation law, Data Processing and Quality control.

58. To assist in getting finance and entering into joint venture transactions for industries, industrial house exporters, manufacture and traders and to act as a facilitators for arranging the finance and loan.

59. To prepare, complete schemes, drawings plan estimates and layout of plants and machinery and assist in establishment of such concerns an also to act as consultants for public, Government or semi Government authorities and to give advice to plan, buy, sell import and export to both Indian and foreign clients dealing in all or any kinds of manufactured goods and services.

60. To supervise and organize public issue related work and to render all types of consultancy assistance and Indian work for Bank Finance, Portfolio management and other activities relating to financial planning and accounting."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take necessary steps to obtain confirmation of the Registrar of Companies, Uttar Pradesh and Uttaranchal under Section 18(1) of the Companies Act, 1956 in respect of the aforesaid alteration of Clause III (C) of the Memorandum of Association and to agree to such modifications, terms & conditions in the new proposed sub clauses as may be directed by the Registrar of Companies and to modify the same accordingly.

FURTHER RESOLVED THAT in the event of any statutory amendment, modification or relaxation by the Central Government in any law affecting the proposed alteration in the Memorandum of Association, the Board of Directors be and is hereby authorized to act within such modified, amended or relaxed provisions

of law to give effect to the proposed alteration without any further reference to the Company in the general meeting."

**10. To consider, and if thought fit, to pass with or without modifications, the following resolutions as a special resolution:**

"RESOLVED THAT pursuant to Section 149 (2A) and all other applicable provisions, if any, of the Companies Act, 1956 approval of the members be and is hereby accorded to the Board of Directors for commencing and undertaking all of any of the business as and when deemed fit by the Board of Directors specified in the existing sub-clauses 2, 24, 31, 33, 36, 55, 57, 58, 59, and 60 of Clause III (C) other Objects of the Memorandum of Association of the Company namely:

- "2. To carry on business as importers and exporters of goods of merchandise of any description or to act as shippers, commission agents, advertising agents, travelling agents, transport agents, forwarding and clearing agents, brokers, estate agents and hardware merchants.
24. To buy, sell, deal in shares and securities, foreign exchange gold, silver, cotton, jute, hessian, oil, oil-seeds and hold them as permitted under the law, from time to time, In force.
31. To acquire and hold shares, stocks, debentures, debentures stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in the Republic of India or elsewhere, any debentures, debentures stock, bonds, obligations and securities, issued or guaranteed by any government, sovereign-ruler, commissioners, public body or authority, supreme and municipal local or otherwise, whether at home or abroad, to acquire any such shares, stocks, debentures, debentures stocks, obligation or securities by original subscription, tender, purchase, exchange or otherwise and subscribes for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and power conferred by or incidental to the ownership thereof, to issue shares, debentures stocks, bonds, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise and either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the Company, or upon any specific property and rights, present and future of the company (including, if thought fit, uncalled capital) or otherwise however; to export, import, buy, sell, barter, exchange, pledge, make advance upon, invest in and otherwise deal in gold, Silver, bullion, stocks, shares, securities of all kinds and description.
33. To carry on the profession of consultants on management, employment, engineering industry and technical matters to industry and business and to act as employment agents.
36. To undertake and transact all kinds of agency business and to carry on and promote any business, commercials or otherwise, under sound principles and or to act as distributors, agents, underwriters, broker, estate agents, middlemen, contract man, representation and indenting agents on commission, allowance, as may be deemed fit in all commodities, merchandise and such other allied articles/lines of business.
55. To carry on the business of brewers, distillers, liquor manufacturers and to distil, brew and manufacture and deal in all kinds of beer, wine, liquors, spirits and other alcoholic products for human consumption, industrial and commercial use.
57. To provide consultancy services to the industries in India and abroad for hiring and training personnel and advices/services in various fields like Finance, Management, Investment Project, Capital Market, Marketing and market Search, Corporate Matters, Accountancy, Business Commercial Economic, Industrial Matters including taxation law, Data Processing and Quality control.
58. To assist in getting finance and entering into joint venture transactions for industries, industrial house exporters, manufacture and traders and to act as a facilitators for arranging the finance and loan.
59. To prepare, complete schemes, drawings plan estimates and layout of plants and machinery and assist in establishment of such concerns and also to act as consultants for public, Government or semi Government authorities and to give advice to plan, buy, sell import and export to both Indian

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and foreign clients dealing in all or any kinds of manufactured goods and services.

60. To supervise and organize public issue related work and to render all types of consultancy assistance and Indian work for Bank Finance, Portfolio management and other activities relating to financial planning and accounting."

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things and matters as may be necessary thereto to give effect to the aforesaid resolutions."

By order of the Board  
**For Shri Gang Industries & Allied Products Limited**

Place : New Delhi  
Date : 26.11.2010

Sd/-  
**J.K.Jain**  
(Whole Time Director)

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 item 4 to 9 as set out above is 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 Monday the 20<sup>th</sup> December, 2010 till Monday 27<sup>th</sup> December, 2010 (both days inclusive).
4. Members are requested to bring their copy of Annual Accounts at the meeting.
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 Rajesh Kumar Gupta as an 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 the 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 Rajesh Kumar Gupta 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 Rajesh Kumar Gupta is interested in the resolution.

**ITEM NO. 5**

The Board of Directors appointed Shri Gyan Chand Jain as an 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 the 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 G.C. Jain for the office of Director.

Your Directors recommend the resolution set out at item no. 5 for your approval.

None of the Directors except Shri Gyan Chand Jain is interested in the resolution.

**ITEM NO. 6**

The Board of Directors appointed Shri Narender Singh as an 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 the 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 Narender Singh for the office of Director.

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

None of the Directors except Shri Narender Singh is interested in the resolution.

**ITEM NO.7**

Shri J.K.Jain was appointed as Whole Time Director of the Company by the members at its last Annual General Meeting. His term as Whole Time Director will expire at this ensuing Annual General Meeting. Your Board has recommended his Re-appointment as Whole Time Director of the company for the period of one year with effect from December 27, 2010 being the date of ensuing Annual General Meeting. The appointment of Shri J.K.Jain as Whole Time Director is as per Section 198, 269, 309 and 310 read with schedule XIII of the Companies Act, 1956 and further subject to the approval of members in the General Meeting. The details of remuneration to be paid to Shri J. K. Jain are mentioned below:

|                                 |                             |
|---------------------------------|-----------------------------|
| Basic Salary-                   | Rs. 35000/- per month       |
| House Rent Allowance-           | Rs. 14000/- per month       |
| Medical reimbursement/allowance | Rs.1250/- per month         |
| Travel for official work        | as per rules of the company |

At present the effective capital of the Company is negative and no remuneration shall be paid to Shri J K Jain till the effective capital of the company becomes positive.

Your Directors recommend the resolution set out at item no. 7 for your approval.

None of the Directors except Shri J.K.Jain is interested or concerned in the resolution.

**ITEM NO.8**

Shri Gopal Das Aggarwal was re-appointed as Whole Time Director of the Company by the members at its last

## **SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED**

Annual General Meeting. His term as Whole Time Director will expire at this ensuing Annual General Meeting. Your Board has recommended his re-appointment as Whole Time Director of the company for the period of one year with effect from December 27, 2010 being the date of ensuing Annual General Meeting. The appointment of Shri Gopal Das Aggarwal as Whole Time Director is as per Section 198, 269, 309 and 310 read with schedule XIII of the Companies Act, 1956 and further subject to the approval of members in the General Meeting. The details of remuneration to be paid to Shri Gopal Das Aggarwal are mentioned below:

- 1) Basic Salary Rs. 9000/- P.M.
- 2) House Rent Allowance of Rs.2250/- P.M.
- 3) Other Allowances Rs. 3000/- P.M.
- 4) Perquisites: To be paid to Whole Time Director as mentioned below:
  - a) 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.
  - b) Medical Reimbursement for self and family: Rs.750/- P.M.
  - c) Leave encashment as per the rules of the Company

At present the effective capital of the Company is negative and no remuneration shall be paid to Shri Gopal Das Aggarwal till the effective capital of the company becomes positive.

Your Directors recommend the resolution set out at Item No. 8 for your approval.

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

### **ITEM NO.9**

The Board of Directors at its meeting held on November 26, 2010 unanimously decided to start the new business related to rendering services into the area of consultancy in portfolio management, Bank finance and other activities related to financial planning etc.. For this purpose it is necessary to alter the Memorandum of Association by inserting new sub Clauses 57, 58, 59, 60 and 61 relating to proposed new activities in Clause III of other objects of the Memorandum of Association asset out in the resolution.

Your Directors recommend the resolutions set out at item no. 9 for your approval.

None of Directors is anyway interested/concerned in the resolution.

### **ITEM No.10**

As per the provisions of 149 (2A) of the Companies Act, 1956, approval of the members in general meeting through special resolution is required for commencement of business stated in other objects of the Memorandum of Association. Your Company proposes to start business as set out in the item no. 9 of the notice calling the AGM for the matter mentioned in sub-clauses 2, 24, 31, 33, 36, 55, 57, 58, 59 and 60 of Clause III(C) of other object clause of the Memorandum of Association.

Your Directors recommend the resolutions set out at item no. 10 for your approval.

None of Directors is anyway interested/concerned in the resolution.

By order of the Board  
**For Shri Gang Industries & Allied Products Limited**

Place : New Delhi  
Date : 26.11.2010

Sd/-  
**J.K.Jain**  
(Whole Time Director)

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

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

Shri Gopal Das Aggarwal is Graduate. He has over 24 years of rich experience in the industry, commerce & business. He is associated with the company since last 10 years and is seeking re-election as Whole Time Director. He is director and member of committees of the following companies:

| <b>Other Directorship</b>  | <b>Membership of the Committee</b>   |
|----------------------------|--|
| <b>Name of the Company</b> | <b>Name of the Committee</b>   |
| None                       | Shri Gang Industries and Allied Products Ltd.<br>Management Committee - Member<br>Audit Committee - Chairman |

Shri J.K.Jain has done graduation in Commerce and over 45 years of rich experience in Industry, Commerce and Business and proposed to be appointed as Managing Director and Chairman of the company. He is director and member of committees of the following companies:

| <b>Other Directorship</b>   | <b>Membership of the Committee</b>   |
|---|--|
| <b>Name of the Company</b>  | <b>Name of the Committee</b>   |
| Suraj Industries Limited, Director<br>Yonker Infotech Private Limited, Director<br>Jain Motors Finance & Leasing<br>Private Limited, Director<br>Mohan Meakin Limited, - Director | 1) Shri Gang Industries & Allied Products Ltd -<br>Management Committee - Chairman<br>2) Mohan Meakin Limited<br>Audit Committee - Member<br>Investor Grievance Committee - Member |

Shri Gyan Chand Jain has over 25 years of rich experience in Industry, Commerce and Business and was appointed as additional Director of the company w.e.f. 01.01.2010 to hold the office upto the date of ensuing Annual General Meeting and seeking his re-appointment as regular director of the company. He is director and member of committees of the following companies:

| <b>Other Directorship</b>                               | <b>Membership of the Committee</b>   |
|---|--|
| <b>Name of the Company</b>                              | <b>Name of the Committee</b>   |
| Greater Noida Info systems Private<br>Limited, Director | Shri Gang Industries & Allied Products Ltd -<br>Audit Committee - Member<br>Investor Grievance Committee - Member<br>Remuneration Committee - Member |

Shri Rajesh Kumar Gupta is a Accountant by profession and has over 15 years of experience in said area, Shri Rajesh Kumar Gupta was appointed as additional Director of the company w.e.f. 01.01.2010 to hold the office upto the date of ensuing Annual General Meeting and seeking his re-appointment as regular director of the company. He is director and member of committees of the following companies:

| <b>Other Directorship</b>  | <b>Membership of the Committee</b>   |
|----------------------------|--|
| <b>Name of the Company</b> | <b>Name of the Committee</b>   |
| None                       | Shri Gang Industries & Allied Products Ltd -<br>Audit Committee - Member<br>Investor Grievance Committee - Chairman<br>Remuneration Committee - Member |

Shri Narender Singh has over 6 years of rich experience in Industry, Commerce and Business and was appointed as additional Director of the company w.e.f. 13.03.2010 to hold the office upto the date of ensuing Annual General Meeting and seeking his re-appointment as regular director of the company. He is director and member of committees of the following companies-

| <b>Other Directorship</b>        | <b>Membership of the Committee</b>  |
|----------------------------------|---|
| <b>Name of the Company</b>       | <b>Name of the Committee</b>  |
| ESS ARR Finex Limited , Director | Shri Gang Industries & Allied Products Ltd -<br>Remuneration Committee - Member |

**DIRECTORS' REPORT****To the Members,**

Your directors hereby present their Twenty First Annual Report along with the Audited Statements of Account for the year ended June 30, 2010.

**FINANCIAL RESULTS**

Financial Results for the year's operations and the comparative figures of the previous year are summarised below: (Rs. In Lacs)

|   | <b>Year ended<br/>June 30, 2010</b> | <b>Year ended<br/>June 30, 2009</b> |
|---|-------------------------------------|-------------------------------------|
| Sales   | <b>8066.69</b>                      | 16877.69                            |
| Profit before Financial Charges & Depreciation                                    | <b>(583.55)</b>                     | (1068.49)                           |
| Financial Charges   | <b>42.84</b>                        | 76.01                               |
| Depreciation  | <b>51.51</b>                        | 94.35                               |
| <b>Extra Ordinary Expenses :</b>  |                                     |                                     |
| Prior period Expenses   | —                                   | 20.03                               |
| Net Profit/(Loss) before Tax  | <b>(677.91)</b>                     | (1258.90)                           |
| Income Tax (Fringe Benefit Tax)   | —                                   | (2.17)                              |
| Net Profit (Loss) for the year  | <b>(677.91)</b>                     | (1261.06)                           |
| <b>APPROPRIATIONS</b>   |                                     |                                     |
| Dividend  | —                                   | —                                   |
| Transfer to General Reserve   | —                                   | —                                   |
| Provision for Leave Encashment reverved under transitional provision as per AS 15 |                                     | —                                   |
| Loss brought forward  | <b>(5648.90)</b>                    | (4387.82)                           |
| Transfer from Investment allowance reserves                                       |                                     |                                     |
| Balance in profit & Loss Account carried to Balance sheet                         | <b>(6326.81)</b>                    | (5648.88)                           |

**DIVIDEND**

In view of Company's Financial Position, the Directors are unable to recommend any dividend. The company's shares are listed at Mumbai.

**OPERATIONS**

During the year under review the company has incurred a loss of Rs 677.91 Lacs. Huge capacity plants near ports, having logistic advantages & economies of scale has made plants in hinterland unviable and uncompatative. This has affected the operations of yours company.

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

**DIRECTORS**

Shri Gopal Das Aggarwal, Director retire by rotation and being eligible offer himself for re-appointment. Further the Board has recommended the reappointment of Shri Gopal Das Aggarwal as Whole Time Director.