

CERTIFIED TRUE-COPY

For Gilt-Pack Ltd.,
Alkan
Company Secretary



GILT PACK LIMITED

REVISED BALANCE SHEET 1998 - 99

**BOARD OF DIRECTORS :**

Shri P.S. Kalani Chairman & Managing Director
 Shri Saurabh Kalani Managing Director
 Shri C. Khushal Das
 Shri A.C. Sheth
 Shri S.K. Pandit
 Shri W.S. Tambe
 Shri A.K. Goel
 Shri Shankar Balan
 Shri C.S. Balsubbramaniam
 Shri S.D. Agrawal (Nominee of MPSIDC Ltd.)

AUDITORS :

Adeshwar C. Jain & Co
 Chartered Accountants
 INDORE

BANKERS :

State Bank of India
 Industrial Finance Branch
 INDORE

IDBI Bank Ltd.
 INDORE

REGISTERED OFFICE & WORKS :

95, Industrial Area No. 1
 PITHAMPUR - 454 775
 Dist. DHAR (M.P.)

HEAD OFFICE :

"KALANI HOUSE"
 11, Tukoganj Main Road,
 INDORE - 452 001 (M.P.)

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AUDITOR'S REPORT

TO,

THE MEMBERS,

We have audited the attached revised Balance Sheet of GILT PACK LIMITED, as at 31st March, 1999 and the Profit and Loss Account for the period ended on that date annexed thereto and report that :

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion Proper books of account as required by law have been kept by the Company so far as appears from our examination such books.
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- d) In our opinion, the revised Profit & Loss Account and Balance Sheet comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to the note No. L of Notes on the Accounts, regarding revised Balance Sheet and Profit & Loss A/c due to change in the interest consequent upon the change in the cut off date for implementation of Rehabilitation Package as per order of BIFR gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
 - (i) In the case of revised Balance Sheet of the State of affairs of the Company as at 31st March, 1999 and,
 - (ii) In the case of revised Profit and Loss Account of the Loss of the Company for the period ended on that date.

As required by Manufacturing and other Companies (Auditor's Report) Order 1988, issued by the Company Law Board in terms of Section 227 (4) (a) of the Companies Act, 1956 on the matters specified in Paragraph 4 and 5 of the said order on the basis of such checks as we considered appropriate, we further report that :

- (1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- (2) None of the Fixed Assets have been revalued during the year.
- (3) In our opinion and according to the information and explanations given to us the physical verification of the Finished goods, Stores, Spare Parts and Raw Materials was conducted by the Management at reasonable intervals during the year.
- (4) In our opinion and according to the information and explanations given to us the procedure of physical verification of stocks followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
- (5) The discrepancies noticed on such verifications as compared to books records, which were not significant have been properly dealt within the books of account.
- (6) In our opinion, the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the previous year.
- (7) During the year no loans have been taken from Companies, firms or other parties listed in the Register maintained U/S 301 of the Companies Act, 1956.



- (8) In our opinion and according to the information given to us the Company has not granted any loans secured or unsecured to Companies, firms or other parties listed in the Companies Act, 1956 or to Companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956.
- (9) In respect of loans and advance in the nature of loans given by the Company are being recovered as stipulated and have also been regular in payment of interest.
- (10) In our opinion and according to the information and explanations given to us there are adequate internal control procedure commensurate with the size of the Company and nature of its business with regard to purchase of stores, raw materials including components, plants and machinery, equipment and other assets and for the sale of goods.
- (11) According to the information and explanations given to us, transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contract or arrangement falling under Section 301 of the Companies Act, 1956 and aggregating to Rs.50,000/- or more during the year in respect of each party have been made at prices which are reasonable having regards to the prevailing market prices for such goods, materials or services at the prices at which transactions for similar goods or materials or services have been made with other parties.
- (12) As informed to us the Company has regular procedure for the determination of unserviceable or damaged stores and raw materials. Adequate provisions have been made in the accounts for the loss arising on the items so determined.
- (13) The Company has not accepted any deposits from the public during the year.
- (14) In our opinion and as per explanations given to us, reasonable records have been maintained by the Company for the sale and disposals of waste/scraps.
- (15) In our opinion, the Company has an adequate Internal Audit System commensurate with the size and nature of its business.
- (16) We are informed that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for product of the Company.
- (17) The Company is regular in depositing Provident Fund and Employees State Insurance dues with the appropriate authorities.
- (18) According to the information and explanations given to us, there were no any undisputed amounts payable in respect of Income Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as at the least date of the financial year concerned for a period of more than six months from the date they became payable.
- (19) According to the information and explanations given to us and the records of the Company examined by us, no personal expenses have been charged to the revenue account.
- (20) The Company is a Sick Industrial Company within the meaning of clause (O) of Sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- (21) In respect of goods traded, the Company has a system of determination of damaged goods and providing for losses on the same.

for **ADESHWAR C. JAIN & CO.**
Chartered Accountants

Place : Indore
Dated : 28.03.2000

A.C. JAIN
Proprietor



GILT PACK LIMITED

REVISED BALANCE SHEET AS AT 31ST MARCH, 1999

PARTICULARS	SCHE DULE	AS AT 31.03.1999		AS AT 31.03.1998	
		(12 Months)		(18 Months)	
		RS.	RS.	RS.	RS.
I. SOURCES OF FUNDS					
1 SHAREHOLDERS' FUNDS :					
a) Capital	1	7,84,27,000		7,56,27,000	
b) Reserve & Surplus	2	<u>2,72,95,350</u>		<u>2,72,95,350</u>	
			10,57,22,350		10,29,22,350
2 LOAN FUNDS :					
a) Secured Loans	3		51,25,59,518		42,93,41,935
b) Unsecured Loans	4		<u>5,60,45,915</u>		<u>4,87,31,050</u>
TOTAL			<u><u>67,43,27,783</u></u>		<u><u>58,09,95,335</u></u>
II APPLICATION OF FUNDS					
1 FIXED ASSETS :					
a) Gross Block		24,19,91,957		23,36,77,620	
b) Less : Depreciation		<u>5,47,87,266</u>		<u>4,32,31,653</u>	
c) Net Block	5		18,72,04,691		19,04,45,967
2 INVESTMENT :	6		34,60,500		34,60,500
3 CURRENT ASSETS, LOANS & ADVANCES					
a) Inventories	7	18,71,21,303		16,90,10,188	
b) Sundry Debtors	8	10,39,81,900		10,23,57,553	
c) Cash & Bank Balances	9	1,06,30,052		1,27,42,322	
d) Loans & Advances	10	2,43,41,183		2,28,21,538	
		<u>32,60,74,438</u>		<u>30,69,31,601</u>	
Less : CURRENT LIABILITIES & PROVISIONS					
a) Current Liabilities	11	<u>28,19,29,809</u>		<u>25,33,33,850</u>	
NET CURRENT ASSETS :			4,41,44,629		5,35,97,751
4 MISCELLANEOUS EXPENDITURE	12		28,11,944		33,89,492
(To the extent not written off or adjusted)					
5 PROFIT AND LOSS ACCOUNT			<u>43,67,06,019</u>		<u>33,01,01,625</u>
TOTAL			<u><u>67,43,27,783</u></u>		<u><u>58,09,95,335</u></u>

As per our report of even date attached
for **ADESHWAR C. JAIN & CO.**
Chartered Accountants

Signature of Schedule 1 to 22

P. S. KALANI
C. KHUSHALDAS
S. K. PANDIT

Chairman & Managing Director
Director
Director

A.C. JAIN
Proprietor

Place : Indore
Date : 28.03.2000