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YE	/	/		/

## HARI GOVIND INTERNATIONAL LTD.

2/101, MAHENDRA CHAMBERS, Dr.D.N. ROAD,  
MUMBAI - 400 001

BALANCE SHEET as on 31st MARCH 1997

Report  junction.com

**HART GOVIND INTERNATIONAL LTD.****DIRECTORS REPORT 1996-97**  
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To,  
The Members of  
HART GOVIND INTERNATIONAL LIMITED

Your Directors hereby present their 9th Annual Report on the operations of the Company and Audited Final Accounts for the year ended 31st March, 1997.

1. FINANCIAL RESULTS:	1996/97	1995/96
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Profit before Depreciation & Tax	5020439	3771715
Less : Depreciation	2247902	1598875
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Profit before Tax	2772537	2172840
Less : Provision for Tax	343833	---
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Profit after Tax	2428704	2172840
Add : Balance Brought Forward	1592230	861330
Less : Utilized for Bonus Issue	---	---
Less : Proposed Dividend on Equity Shares.	2148630	1441940
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Balance carried to Balance Sheet	1872304	1592230
	=====	=====

2. DIVIDEND:  
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Your Directors are pleased to recommend a final dividend 5% Prorata on the Equity Shares. The payment of dividend is subject to deduction of tax at source & will be paid pro-rata to those shareholders whose name appears in Register of member as on date 15th December 1997.

3. REVIEW OF OPERATION:  
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The capacity utilisation of Existing Plant during the year found satisfactory & likely to continue during current year. Operations were smooth and free from any breakdown or accident. With the expansion the company is confident to register volume growth during the current year.

4. EXPANSION PROJECT:  
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Machinery against order placed with M/s. Kuang Suo Co. Ltd., Taiwan, reached at the port but due to customs technical problem, it was installed beyond expected time and the trial runs were over now. The company has diverted & looking forward to Mining Activities.

**HARI GOVIND INTERNATIONAL LTD.****5. DEPOSITS:**

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The company has not accepted any fixed Deposits from the public.

**7. EMPLOYEES:**

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Particulars of employees as required under section 217(2-A) of the Companies Act, 1956 is Nil.

**8. AUDITORS:**

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M/s. Dilip Jambhekar & Co., Chartered Accountant, Nagpur retires at ensuring Annual General Meeting and being eligible offers themselves for re-appointment. The auditors observation are self explanatory and need no further clarification.

**9. ENERGY CONSERVATION, TECHNOLOGY & FOREIGN EXCHANGE:**

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Information in regards with the provisions of the Section 217(I) (a) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rule, 1988 regarding conservation of Energy, Technology Absorptions, Foreign Exchange earning and outgo is given in Annexure 'A' attached.

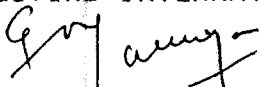
**10. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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During the period under review, the Company has neither earned any Foreign Exchange nor incurred any expenditure in Foreign Exchange.

**11. ACKNOWLEDGEMENT:**

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The Board of Directors are extremely pleased to receive full hearted support from bankers, customers and staff and are confident to receive the same in future.

On behalf of the Board  
For HARI GOVIND INTERNATIONAL LTD.

  
GOVIND H. MANIYAR

(CHAIRMAN & MANAGING DIRECTOR)

Place : MUMBAI

Dated : 28th November, 1997.

**HARI GOVIND INTERNATIONAL LTD.****ANNEXURE 'A'****RESEARCH & DEVELOPMENT (R & D)**

1. Company has well sophisticated laboratories with new equipments and trained manpower, Company has got ISI Mark IS No.3148-1991 under licence no.CM/L-7127766.

2. Future Plan of action :

Product development in all respect, technology assesment, cost reduction. Company obtained a trade mark no.536723 under Trade Mark Registry which help to boost the company's sale.

**TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION :**

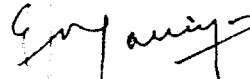
1. Efforts, in brief, made towards technology absorption, adaption and innovation :

Continuous efforts have been made to upgrade technology & improve process in all areas of operation of the company.

Innovation : Dying through Rapid dying process.

2. Information regarding technology imported during the last five years : Not applicable.

On behalf of the Board  
For HARI GOVIND INTERNATIONAL LTD.



GOVIND H. MANIYAR  
(CHAIRMAN & MANAGING DIRECTOR)

**DILIP JAMBHEKAR & CO.**  
**CHARTERED ACCOUNTANTS**

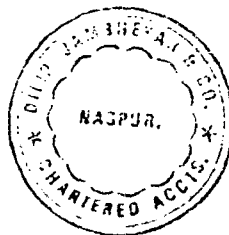
A-5, NIT Bldg. Opp. Sudama Talao,  
 West High Court Road, Dharampeth,  
 Nagpur. Ph. 546902, Resi. 220516.

**AUDITOR'S REPORT.**

To,  
 The Members,  
 Hari Govind International Ltd.,  
M U M B A I.

We have audited the attached Balance Sheet of Hari Govind International Ltd., as on 31st March, 1997 and also the Profit & Loss Account of the Company for the year ended on that date thereto. We report that :

1. As required by the Manufacturing and other companies [Auditors Report] order 1988 issued by the Company Law Board in terms of section 227 [4A] of the Companies Act 1956. We annex hereto Annexure - A on the matters specified in paragraph 4 & 5 of the said order.
2. Further to our comments in Annexure referred to in paragraph [1] above.
  - [a] We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - [b] In our opinion, proper Books of Accounts as required by law have been kept by the company so far as appears from our examination of the books.
  - [c] The Balance Sheet and Profit & Loss Account are in agreement with the Books of Accounts.
3. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 Balance Sheet of the company, state of affairs of the company as at 31st March, 1997 and
  - [ii] In the case of Profit & Loss Account of the company profit for the year ended on that date.



FOR DILIP JAMBHEKAR & COMPANY.  
 CHARTERED ACCOUNTANTS.

[DILIP J. JAMBHEKAR]  
 PROPRIETOR.

*Duly Verified*  
 per Hari Govind International Ltd.

Director / Autho. Signatory

PLACE : NAGPUR.

DATED : 23rd August 1997

**DILIP JAMBHEKAR & CO.**  
**CHARTERED ACCOUNTANTS**

A-5, NIT Bldg. Opp. Sudama Talkies.  
 near High Court Road, Dharampeth.  
 Nagpur. Ph.: 546302, Resd. 226510.

ANNEXURE - 'A' : TO THE AUDITORS REPORT.

Annexure referred to in paragraph [1] of our report of even date  
 on the Accounts of Hari Govind International Ltd., for the year  
 ended 31st March, 1997 :

1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. All the fixed assets have been physically verified by the management during the year. To the best of our information and explanations given to us, no serious discrepancies have been noticed on such verification.
2. None of the Fixed Assets have been revalued by the company during the year.
3. Physical verification was conducted by the management at reasonable intervals during the year in respect of finished goods, raw material, stores & spare parts.
4. The procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
5. As explained to us no significant discrepancies were noticed on such verification as compared with the book records and the same have been properly dealt with in the books of accounts.
6. The valuation of these stock is fair and proper and in accordance with the normally accepted accounting principles. The basis of valuation of stock is same as in the preceding year.
7. During the year the company has taken unsecured loans from firms listed in Register Under Section 301 of the Companies Act 1956. However as per the explanations given to us and as examined by us the rate of interest and other terms of payments are not prejudicial to the interest of the company.
8. The company has granted loans secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act 1956 and/or to the companies under the same management as detailed under section 370 [1 - B] of the Companies Act 1956.

**DILIP JAMBHEKAR & CO.**  
**CHARTERED ACCOUNTANTS**

A-5, NIT Bldg. Opp. Sudama Talkies,  
 West High Court Road, Dharampeth,  
 Nagpur. Ph.: 546902, Resd. 220516.

9. The principal amount and interest there on whenever applicable in respect of loans and advances in the nature of loans given by the company have been recovered regularly as stipulated.
10. On the basis of selective checks carried out during the course of our audit and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business for purchases of stores, raw materials including components plant and machinery, equipments and other assets and for the sale of goods.
11. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and raw material and sale of goods, materials and services, made in pursuance of contract or arrangements entered in the Registers maintained under section 301 of the Companies Act 1956 and aggregating during the year to Rs.50000/- (Rs.fifty Thousand only), or more in respect of each party have been made at the prices which are reasonable having regard to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties or as available with the company.
12. As explained to us the company has a regular procedure for determination of unservicable or damaged stores, raw materials or finished goods, the loss arising on items so determined is appropriately dealt with in the books of accounts.
13. The company has not accepted any deposits from the public.
14. The company has no by-products and in our opinion reasonable records have been maintained by the company for sale and disposal of realisable scraps, wherever significant.
15. The company did not have any formal internal audit system but its internal control procedure ensures the checking of financial records which in our opinion is reasonable commensurate with its size and nature of its business.
16. The central government has not prescribed maintainance of cost records to zip manufacturing industry under section 209 [1] [d] of the Companies Act 1956 [1] of 1956.