

HARI GOVIND INTERNATIONAL LIMITED

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the members of **HARI GOVIND INTERNATIONAL LTD** will be held on Friday, the 23rd day of September, 2011 at 2.30 p.m. at 34/35, Mahindra Chambers, D.N. Road, Fort, Mumbai 400 001 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Director's and Auditor's reports and Audited Balance Sheet as on 31st March, 2011 and Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Mr. Raghvendra P Gaikawari, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Sunita J Maniyar who retires by rotation and being eligible offer herself for re-appointment.
4. To appoint Auditors to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Explanatory Statement, pursuant to section 173(2) in respect of Special business to be transacted at the Meeting is annexed herewith.
3. Members are required to intimate the change, if any in their registered address.
5. The Register of Members and Share Transfer Books shall remain closed from Friday, 16th September, 2011 to Friday, 23rd September, 2011 both days inclusive.

For and on behalf of the Board of Director

Sd/-

Place: Mumbai
Date : 10th August, 2011

Jugalkishore Maniyar
Director

DIRECTORS' REPORT

To,
The Members of
HARI GOVIND INTERNATIONAL LIMITED

Yours Directors have pleasures in presenting the Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2011

FINANCIAL RESULTS:

	31.03.11	31.03.10
Total Income	6,01,99,223	25,72,569
Total Expenditure	5,95,44,324	27,70,070
PROFIT / (LOSS) BEFORE DEPRECIATION AND TAX	6,54,899	(1,97,501)
Less : Depreciation	Nil	Nil
PROFIT / (LOSS) BEFORE TAX	6,54,899	(1,97,501)
Less : Provisions for Tax	Nil	Nil
PROFIT / (LOSS) AFTER TAX	6,54,899	(1,97,501)
Profit / (Loss) brought forward from earlier year	(2,04,12,350)	(2,02,12,849)
PROFIT/(LOSS) CARRIED TO BALANCE SHEET	(1,97,57,451)	(2,04,12,350)

DIVIDEND :

In view of the carried forward Losses, your Directors do not recommend any dividend for the year.

DIRECTORS:

Mr Raghavendra P. Gaikaiwari and Mrs. Sunita J. Maniyar, Directors, retires by rotation and being eligible offer herself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors confirm that :

1. In preparation of Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to the material departures, if any.
2. The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year ended 31st March, 2011 and of the Profit of the Company for that year.

3. The Directors have 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 and for preventing and detecting fraud and other irregularities:
4. The Directors have prepared the annual accounts on a going concern basis.

PUBLIC DEPOSITS :

The Company has not accepted the deposits from the public.

AUDITORS:

The present Statutory Auditors M/s DILIP JAMBHEKAR & COMPANY, Chartered Accountants of the Company retires at ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS' REPORT :

The Observation made in the Auditors' Report are self explanatory and therefore do not call for any further comments on the Auditors Report under section 217 of the Companies Act, 1956.

CORPORATE GOVERNANCE:

The factory of the Company is under closure since 1999-2000 and there are no manufacturing operation in the Company. The financial conditions of the Company is also very critical.

In terms of clause 49 of the Listing Agreement, a Report on the Corporate Governance is enclosed herewith.

STATUTORY INFORMATION ABOUT EMPLOYEES, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:

The Company had no employees covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Since the Company is not having any manufacturing activities, Directors have nothing to report on conservation of Energy, Research & Development and Technology Absorption.

During the year, Foreign Exchange earning was Nil and outgo was Nil.

ACKNOWLEDGEMENT:

Yours Directors would like to thank its Bankers and shareholders of the Company for the unstined support from them during the year.

Yours Directors would like to place on record their appreciation for the dedicated efforts and services put in by the employees of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 10th August, 2011

Sd/-
Jugalkishore Maniyar
Chairman

REPORT ON CORPORATE GOVERNANCE

Your Directors submit their report on the Corporate Governance of the Company for the Financial Period 2010-2011.

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company Philosophy on Corporate Governance is to adopt internal and external measures to increase the level of transparency and accountability and to respect the laws of land & rights of stakeholders and to uphold at all times fundamental values of accountability, probity and transparency. However as the first objective of the Company is to revive the operation of the Company. However your Company stands to meet its commitments of Corporate Governance to a limited extent. As a productive step, your Company has implemented the code of Corporate Governance as stipulated in the Listing Agreement and Report in line with is given below:

BOARD OF DIRECTORS:

The Board of Directors comprises of One Executive Directors (Promoter) and Two Non-executive Directors (Promoter-Group) and Two Non –executive Director (Independent).

During the financial year 1st April, 2010 to 31st March, 2011, 5 Board Meetings were held on 30th April, 2010, 31st July 2010, 20th August 2010, 30th October 2010, and 31st January 2011,.

The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship / Membership of Committees are as follows:

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance of last AGM	No. of Other Directorship	Committee Membership	
					Member	Chairman
Mr Jugalkishor Maniyar	ED	5	YES	NIL	NIL	NIL
Mrs. Sunita J. Maniyar	NED	5	YES	NIL	NIL	NIL
Mrs. Amridevi H. Maniyar	NED	5	YES	NIL	NIL	NIL
Mr. Raghavenra P. Gaikawaiari	NED	5	Yes	NIL	NIL	NIL
Mr. Ashok R. Sarada	NED	5	Yes	NIL	NIL	NIL

NED – Non-executive Director

ED – Executive Director

Brief profile of Director seeking re-election/election:

The Retiring Directors Mr. Raghavendra P. Gaikawaiari and Mrs. Sunita J. Maniyar, eligible for re-appointment, offer herself for re-appointment.

Details of Directorship in other public limited Companies:

Name of Director	No. of Directorship	No. of Committee Memberships
Mr. Jugalkishore Maniyar	Nil	Nil
Mrs. Sunita J. Maniyar	Nil	Nil
Mrs. Amridevi H. Maniyar	Nil	Nil
Mr. Raghavendra P. Gaikawaiari	Nil	Nil
Mr. Ashok R. Sarada	Nil	Nil

Promoter Directors:

Mr. Jugal Kishore Maniyar	Executive Director
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Independent Directors:

Mr. Raghavendra P. Gaikawaiwari	Members Audit Committee and Shareholder/Investor Grievance Committee
Mr. Ashok R. Sarada	Members Audit Committee and Shareholder/Investor Grievance Committee

Audit Committee:

The Audit Committee consist of Mr. Jugalkishore Maniyar – Chairman, Mr. Raghavendra P. Gaikawaiwari and Mr. Ashok R. Sarada as Members.

The Audit Committee met on 30th 30th April, 2010, 31st July 2010, 20th August 2010, 30th October 2010, and 31st January 2011 and it overseas the general accounting practice and other management policies.

Details of Remuneration to the Directors during the period :

Name of the Director	(Amount in Rs.)			
	Salary	Commission	Perquisite	Sitting Fees
Mr. Jugalkishore Maniyar	NIL	NIL	NIL	NIL
Mrs. Sunita J. Mainyar	NIL	NIL	NIL	NIL
Mrs. Amridevi H. Maniyar	NIL	NIL	NIL	NIL
Mr. Raghavendra P. Gaikawaiwari	NIL	NIL	NIL	NIL
Mr. Ashok R. Sarada	NIL	NIL	NIL	NIL

Share Transfer Committee/Investor Grievance Committee:

The Share Transfer Committee consisting of Mr. Jugalkishore Maniyar, Mr. Raghavendra P. Gaikawaiwari and Mr. Ashok R. Sarada to consider and approve Transfer of shares in the physical form and allied matters.

Shareholder/Investor Service:

Is handled by Mr. Jugalkishore Maniyar who provides timely services.

Name and Designation of Compliance Officer:

Mr. Jugalkishore Maniyar, Managing Director

GENERAL BODY MEETINGS:

Financial Year	Date	Venue
1 st April, 2007 to 31 st March, 2008	30.09.2008	34/35, Mahindra Chambers. D.N. Road, Fort, Mumbai 400 001
1 st April, 2008 to 31 st March, 2009	21.09.2009	34/35, Mahindra Chambers. D.N. Road, Fort, Mumbai 400 001
1 st April, 2009 to 31 st March, 2010	30.09.2010	34/35, Mahindra Chambers. D.N. Road, Fort, Mumbai 400 001

DISCLOSURES:

There are no materially significant related party transactions. There are other related party commercial transactions, which are reported in the accounting part of this report.

MEANS OF COMMUNICATION:

Quarterly, half – yearly and annual results have been communicated to Stock Exchanges Mumbai where the shares of the Company’s is listed. Annual Reports are dispatched to all the shareholders. No presentation to institutional investors or analysts was made during the year. Management discussion and Analysis is part of the Annual Report.

SHAREHOLDER INFORMATION :

- 1 Annual General Meeting to be held on 23rd September, 2011
- 2. Financial Year 1st April, 2010 to 31st March, 2011.
- 3 Dividend Payment Date NIL
- 4 Listing in Stock Exchanges Mumbai Stock Exchange
- 5 Venue 34/35, Mahindra Chambers, D.N. Road, Fort, Mumbai
- 6 Stock Code 531971
- 7. Market Price Data: : The trading on equity shares of the Company had been suspended by the Bombay Stock Exchange Limited.
- 8. Share Transfer Systems: Transfers of physical shares are affected In house after approval by the Share Transfer Committee.
- 9. Distributions of Share Holdings as on 31-03-2011

Category	No. of Shares held	% of Shareholding
Promoters	37,50,000	75.00
Others	12,50,000	25.00

- 10. The shares are in Physical mode only

- 13. Address of Correspondence:
Shareholder Correspondence in relation to Transfer of Shares queries should be addressed to:

HARI GOVIND INTERNATIONAL LIMITED

Admin Office : Gala No. 14, Software Technology Park, Link Road, Sadar, Nagpur.

Management Discussion And Analysis

Overall review, industry Structure and Developments:

Presently the Company is engaged in trading of Textiles. The Market for the textile is very wide and due to heavy population in India, the consumption of the textile goods is very high. The market section in textile trading is high volume but low margin.

Opportunities and Threat

With the research and development in the quality and appearance of the textile goods, one can not only retain its share in the market but also gets better margin as compared to other who deal in the repeat patterns and design

The taste of the market keeps of changing very fast and manufacturers as well as the trader has to be updates with the current trend in the market. For the better margin one has to trade in heavy volume so that even with the less margin, the bottom line is better. Further the trade is on long credit to the customer and there is risk of bad debts

Segment wise Performance

Presently the Company deal in only one segment which is trading in textile

Future Outlook

The Management with further induction of capital looks for high volume of textiles goods and also diversified into Gold and Diamond trading where though working capital requirement is high and circulation of capital is very fast. The trade of Gold and Diamond trading is evergreen and there is no risk of dead stock.

Internal control System

The Company adequate internal control systems, which provide, among other things, reasonable assurance of recording the transaction of its operations in all material respects and provide protection against significance misuse of loss of Company's assets.

Human relations

The Company believes that the manpower and business network consisting of human being is the primary and most valuable resources to the growth of organization. Your Company put all its efforts for sound and healthy human relation for development of trade and organization.

Financial performance with respect to operational performance

As mentioned earlier, your company presently engaged in trading of textile. The business during the year under review is Rs. 601.99 lacs as compared to Rs. 25.73 lacs in the previous year showing increase of almost more than 23 times and during the year under review, there is Profit After Tax of Rs. 6.55 lacs as against loss of Rs. 1.98 lacs in the previous year.