

HEERA ISPAT LIMITED.DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their ~~seventh~~ Annual Report together with the Audited Statement of Accounts for the Financial Year ended on 30th June, 1999.

1. FINANCIAL AND WORKING RESULTS :

During the Year under review the Company incurred a loss of Rs. 4,76,883/-. However the directors are optimistic of the future and expect to increase the production and hence recover the losses.

	<u>1998-99</u>
Gross Profit/(Loss) Before Depreciation	(476883.00)
Less : Depreciation	0.00
NET PROFIT/(LOSS) BEFORE TAXATION	(476883.00)
Provision for Taxation	0.00
Profit for the year	(476883.00)
Add : Balance brought forward	(703955.00)
AMOUNT AVAILABLE FOR APPROPRIATION	0.00
Appropriation	NIL
Balance carried to Balance-Sheet	<u>(1180838.00)</u>

2. DEPOSITS :

The Company has accepted no public deposits within the meaning of Section 58-A of the Companies Act, 1956.

3. DIVIDENDS :

In view of the losses incurred by the Company your directors do not recommend any dividend.

4. PARTICULARS OF EMPLOYEES:

There was no employee drawing remuneration more than Rs. 6,00,000/- p.a. or Rs. 50,000/- p.m. for part of the year and hence no particulars have been furnished as required under Section 217(2A) of the Companies Act, 1956.



5. PARTICULARS RELATING TO CONSERVATION OF ENERGY

The Company does not have material information required under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure in particulars in the report of Board of Directors) Rules, 1988 to offer and hence no particulars have been furnished.

6. AUDITORS:

M/s. Deepak C. Gandhi & Co., Chartered Accountants, Auditors of the Company retire at the Conclusion of this Annual General Meeting and being eligible, offer themselves for reappointment.

7. INDUSTRIAL RELATIONS

The inter-staff relations were cordial throughout the year. The Board records its appreciations to the employees for their contribution.

8. DIRECTORATE:

Mr. Dharmesh Mistry retires by rotation at the ensuing General Meeting and being eligible offers himself for re-appointment.

9. ACKNOWLEDGEMENTS:

Your Directors take opportunity to express their gratitude to employees, bankers and government for their valuable support and co-operation.

Place : Godhra

Date : 30th November, 1999.

For and on behalf of the Board

S/d

Ramesh T. Mistry
Chairman

FOR HEERA ISPAT LIMITED


DIRECTOR



To:

The Members of
HEERA ISPAT LIMITED,
GODHARA.

We have examined the attached Balance Sheet of HEERA ISPAT LIMITED as at 30th June, 1999, and the Profit and Loss Account for the year ended as on that date and report that:-

1. As required by the manufacturing and other companies (Auditor's Report) order, 1988 issued by the Company Law Board in terms of section 227(4A) of the Companies Act, 1956, we give in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
 - i) 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;
 - ii) 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;
 - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
 - iv) In our opinion and to the best of our information and according to the explanations given to us and subject to all notes stated in schedule "L" the said accounts give the information required by the Companies Act, 1956, in the manner so required give a true and fair view.
 - (I) In the case of the Balance Sheet, of the state of affairs of the Company as at 30th June, 1999.
 - (ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date.

for DEEPAK C. GANDHI & CO.,
Chartered Accountants,

s/d

Place : Ahmedabad.
Date : 30th November, 1999.

(Deepak C. Gandhi)
Proprietor

FOR HEERA ISPAT LIMITED

DIRECTOR

