

HINDUSTAN APPLIANCES LIMITED

ANNUAL REPORT 1998-99

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DIRECTORS: -

=====

MR. MEHUL J. SHAH

MR. SANJAY A. DESAI

MR. SHANTILAL C. BHAYANI

REGISTERED OFFICE

5, SUNBEAM CHAMBERS,

OPP. LIBERTY CINEMA,

NEW MARINE LINES

MUMBAI 400 020

AUDITORS

M/s. N.B. Purohit & Co

Chartered Accountants

4, Jahangir Mansion Off

Complex, Cinema Road

MUMBAI 400 002

BANKERS

Syndicate B:

Tamilnadu Mercantile Bank L

HINDUSTAN APPLIANCES LIMITED

REGD.OFFICE; 5, SUNBEAM CHAMBERS, NEW MARINE LINES,
OPP. LIBERTY CINEMA, MUMBAI-400 020.

DIRECTORS' REPORT

TO

The Members,

The Directors have pleasure in presenting their Fourteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March 1999.

	(Rs. in Lacs) Year ended 31-3-99 =====	(Rs. in Lacs) Year ended 31-3-98 =====
Gross Profit Before Interest, Depreciation and Taxation	69.56	19.93
Deduct:- -----		
Depreciation	00.08	00.00
Provision for taxation	24.50	7.00
Net profit	44.97	12.93
Balance brought forward.	11.03	(1.90)
Balance carried forward	56.00	11.03

DIVIDEND:

In order to conserve the financial resources your directors do not recommend any dividend for the year under report.

OPERATION:

The Company has earned a gross total Income of Rs 77.74 lacs for the year under review against the gross total income of Rs.44.10 lacs during the previous year.

DIRECTORATE:-

Shri Sanjay A. Desai retires by rotation and being eligible offers himself for re-appointment .

Y2K Compliance

Your Company has carried out the necessary tests for Y2K Compliance of hardware & operating system and also where required, appropriate steps are being taken for upgradation or for implementation of the same and the cost of the same is not material. The whole process of Y2K compliance has been completed.

PARTICULARS OF EMPLOYEES;

The company did not employ anybody drawing remuneration of Rs. 6,00,000/- or more per annum or Rs.50,000/-or more per month and hence the question of providing information under section 217(2A) of the companies Act, 1956 does not arise.

DISCLOSURES OF PARTICULARS WITH RESPECT TO CONSERVATION ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGES EARNINGS AND OUTGO.

Particulars regarding conservation of energy, technology absorption as required pursuant to section 217 (1) (e) of the Companies Act, 1956, as amended are not given since the said section is not applicable to the Company.

Foreign exchange earnings. Nil
Foreign exchange outgo. Nil

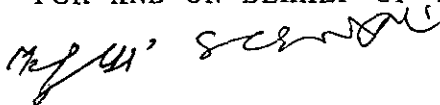
PUBLIC DEPOSIT:

The Company has not accepted any deposit from public. Therefore provision of section 58(A) of Companies Act, 1956 are not applicable to the Company. There are no unclaimed or unpaid deposits for which information to be given in this report.

AUDITORS

N.B. Purohit & Co., Chartered Accountant, present Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. You are requested to consider their re-appointment.

FOR AND ON BEHALF OF THE BOARD



DIRECTORS

PLACE: MUMBAI
DATED: 3rd Sep., 1999

N. B. PUROHIT & CO.

CHARTERED ACCOUNTANTS

4, Jahangir Mansion Office Complex,

Cinema Road, Behind Metro,

Mumbai-400 020.

Telefax : (O) 206 15 33 (R) 805 52 10

Nilkanth Purohit

B.COM.(Hons); F.C.A.

AUDITOR'S REPORT TO THE MEMBERSTO THE MEMBERS OF HINDUSTAN APPLIANCES LIMITED

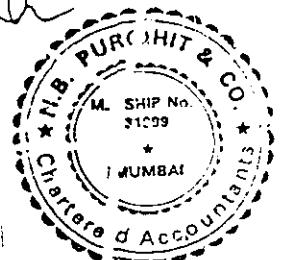
We have audited the attached Balance Sheet of HINDUSTAN APPLIANCES LIMITED as at 31st March, 1999 and the Profit & Loss Account of the Company for the year ended on that date annexed thereto and report that:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we give in the Annexure, hereto 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, we report that:
 - (a) We have obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purposes 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 such books.
 - (c) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account.
 - (d) In our opinion, the Profit & loss account and Balance sheet comply with the accounting standards referred to in the sub section 3C of Section 211 of the Companies Act, 1956.
 - (e) In our opinion and to the best of information and according to the explanations given to us, the accounts together with the schedule annexed thereto read with notes thereon give 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 state of affairs of the Company as at 31st March, 1999.
 - and
 - (ii) In the case of the Profit & Loss Account of the Profit of the Company for the year ended on that date.

FOR N.B. PUROHIT & CO.
CHARTERED ACCOUNTANTS*(Signature)*
(N.B. PUROHIT)
PROPRIETOR

PLACE: MUMBAI

DATED: 3rd September, 1999



N. B. PUROHIT & CO.

CHARTERED ACCOUNTANTS

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ANNEXURE TO THE AUDITOR'S REPORT

ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN PARAGRAPH (1) OF THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HINDUSTAN APPLIANCES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1999.

1. The Company has maintained proper records showing full particulars including quantitative detail and situation of fixed assets. As explained to us, the physical verification of the fixed assets at 31st March, 1999 was conducted by the management and there were no discrepancies found on such verification.
2. None of the fixed assets have been revalued during the year.
3. There was no stock of goods at the end of the accounting year.
4. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of business.
5. There was no discrepancy noticed on physical verification of stocks as compared to books of account.
6. As there was no stock of finished goods at the end of the accounting year, valuation of stock does not arise.
7. The Company has taken no loans from companies, firm or other parties listed in the registers maintained under sec.301 of the companies Act, 1956. The Company has not taken any loans from companies under the same management as defined under section 370 (1B) of the Companies Act, 1956.
8. According to the information and explanation given to us, the company has granted loans to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or to the Companies under the same management, within the meaning of section 370 of the Companies Act, 1956. The rate of interest and other terms and condition of such loans are not prima facie prejudicial to the interest of the Company.

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