

HINDUSTAN APPLIANCES LIMITED

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ANNUAL REPORT 1999-2000

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DIRECTORS :-

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MR. MEHUL J. SHAH

MR. SANJAY A. DESAI

MR. KANTILAL S. MAROO

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 Office

Complex, Cinema Road,

MUMBAI 400 002

BANKERS

Syndicate Bank

Tamilnadu Mercantile Bank Ltd.

Dena Bank

HINDOSTAN APPLIANCES LIMITED

NOTICE:

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of **HINDOSTAN APPLIANCES LIMITED** will be held at the Registered Office of the Company at 5, Sunbeam Chambers, 2nd Floor, Opp. Liberty Cinema, New Marine Lines, Mumbai-400 020 on Saturday the 30th September, 2000 at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mehul J. Shah, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s. N. B. Purohit & Co. Chartered Accountants as Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To appoint a director in place of Mr. Kantilal S. Maroo who was appointed as an additional Director of the Company pursuant to the provisions section 260 of the Companies Act, 1956 and who holds office up to the this Annual General Meeting and in respect of whom notice has been received from the member of the Company notifying his intention of proposing his name for appointment as director liable to retire by rotation at the Annual General Meeting. Mr. Kantilal S. Maroo being eligible offers himself for the appointment.

BY ORDER OF THE BOARD.


DIRECTOR

REGISTERED OFFICE

5, Sunbeam Chambers,
New Marine Lines,
Opp. Liberty Cinema,
MUMBAI-400020.
PLACE : MUMBAI.
Dated : 2nd September, 2000

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy should be deposited at the Registered office of the Company not less than 48 hours before commencing of this meeting.

3. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item no 4 of the notice is annexed.
4. The register of members and transfer books of the Company will remain closed from 27th September, 2000 to 30th September 2000.

Explanatory Statement as required under section 173 (2) of the Companies Act, 1956.

In Respect of Item No. 4.

Mr. Kantilal S. Maroo was appointed as an additional Director of the company pursuant to section 260 of the Companies Act, 1956 and who holds the office of the director until the date of the ensuing annual general meeting and in respect of whom the Company has received a notice in writing together with requisite deposit under section 257 of the Companies Act 1956, from a member expressing his intention to propose him as candidate for the office of Director, is to be appointed as director of the company liable to retirement by rotation

The Board of Directors recommend the members to adopt the proposed Resolution.

None of the Directors of the company is in any way concerned or interested in the resolution except Mr. Kantilal S. Maroo.

BY ORDER OF THE BOARD.


DIRECTORS

REGISTERED OFFICE

5, Sunbeam Chambers,
New Marine Lines,
Opp. Liberty Cinema,
MUMBAI-400020.

PLACE : MUMBAI.

Dated : 2nd Sep., 2000

HINDUSTAN APPLIANCES LIMITED

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

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DIRECTORS' REPORT**TO****The Members,**

The Directors have pleasure in presenting their Fifteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2000.

	(Rs.in Lacs) Year ended 31-3-2000 =====	(Rs.in Lacs) Year ended 31-3-1999 =====
Gross Profit Before Depreciation and Taxation	84.43	69.56
Deduct:- -----		
Depreciation	2.56	00.08
Provision for taxation	29.91	24.50
Net profit	51.96	44.97
Balance brought forward.	56.00	11.03
Balance carried forward	107.96	56.00

DIVIDEND:

In order to conserve the financial resources for meeting the long term needs of the Company, your directors do not recommend any dividend for the year under report.

OPERATION:

The Company has earned a gross total Income of Rs 132.43 lacs for the year under review against the gross total income of Rs.77.74 lacs during the previous year.

DIRECTORATE:

Mr. Mehul J.Shah, retires by rotation and being eligible offers himself for re-appointment . Mr.Kantilal S.Maroo who was appointed as an additional director of the Company, holds the office until the ensuing annual general meeting and being eligible offers himself for the appointment as director. Mr. Shantilal C. Bhayani resigned as director of the company during the year under review. The directors have placed on record the appreciation of services rendered by him during his association with the company.

SUBSIDIARIES :

During the year under review your company has acquired 100% stakes in the Equity Capital of Jogindra Exports Limited and Kshanika Trading Limited and these companies have become subsidiaries. The audited accounts together with directors' report, Auditors' report and particulars as required under section 212 of the companies Act 1956 in respect subsidiary companies is appended.

PARTICULARS OF EMPLOYKES :

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. : Rs.45.74 Lac

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 unclaim or unpaid deposits for which information to be given in this report.

AUDITORS :

M/S. N.B.Purohit & Co., Chartered Accountants 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: 2nd September, 2000

HINDUSTAN APPLIANCES LIMITED**ANNEXURE TO DIRECTORS' REPORTS****STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,
1956 RELATING TO SUBSIDIARY COMPANIES.**

1. NAME OF THE SUBSIDIARY	: JOGINDRA EXPORTS LIMITED	: KSHANIKA TRADING LIMITED
2. HOLDING COMPANY'S INTEREST	: 102 EQUITY SHARES OF 100 : EACH FULLY PAID UP.	: 102 EQUITY SHARES OF 100 : EACH FULLY PAID UP.
3. EXTENT OF HOLDING	: 100%	: 100%
4. SUBSIDIARY FINANCIAL YEAR ENDED ON	: 31ST MARCH, 2000	: 31ST MARCH, 2000
5. NET AGGREGATE AMOUNT OF SUBSIDIARIES' PROFIT/(LOSS) NOT DEALT WITHIN THE HOLDING COMPANY'S ACCOUNTS:	:	:
i) FOR THE CURRENT FINANCIAL YEAR OF THE SUBSIDIARIES	: (Rs. 915.00)	: (Rs. 600.00)
ii) FOR THE PREVIOUS FINANCIAL YEARS OF THE SUBSIDIARIES SINCE THEY BECAME THE HOLDING COMPANY'S SUBSIDIARIES.	: -	: -
6. NET AGGREGATE AMOUNT OF SUBSIDIARIES' PROFIT/(LOSS) DEALT WITHIN THE HOLDING COMPANY'S ACCOUNTS	:	:
i) FOR THE CURRENT FINANCIAL YEAR OF THE SUBSIDIARIES.	: -	: -
ii) FOR THE PREVIOUS FINANCIAL YEARS OF THE SUBSIDIARIES SINCE THEY BECAME THE HOLDING COMPANY'S SUBSIDIARIES.	: -	: -

FOR AND ON BEHALF OF THE BOARD




DIRECTORS

PLACE: MUMBAI

DATED: 2nd September, 2000



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

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

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

We have audited the attached Balance Sheet of **HINDUSTAN APPLIANCES LIMITED** as at 31st March, 2000 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, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, We enclosed herewith in the Annexure a Statement of the matter Specified in paragraph 4 & 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 information 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, 2000. 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.

(N.B. PUROHIT)
PROPRIETOR
PLACE: MUMBAI
DATED: 2nd September, 2000

Nilkanth Purohit

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

N. B. PUROHIT & CO.

CHARTERED ACCOUNTANTS

4, Jahangir Mansion Office Complex,
Cinema Road, Behind Metro,
Mumbai-400 020.

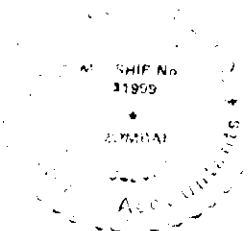
Telefax : (O) 206 15 33 (R) 8 52 10

ANNEXURE TO THE AUDITORS' REPORT

ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH (1) OF THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF HINDUSTAN APPLIANCES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2000.

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, 2000 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. The stock of traded goods and raw materials have been physically verified by the Management during the accounting year. In our opinion the frequency of verification is reasonable.
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. We are of the opinion that the valuation of Stock is fair and Proper and in accordance with Normally acceptable accounting Principles.
7. The Company has not taken any loans Secured or Unsecured from companies, firm or other parties listed in the registers maintained under sec.301 of the Companies Act, 1956. In term of sub section (6) of Section 370 of the Companies Act, 1956, the Provisions of Section 370 are not applicable to a Company on or after 31st October, 1998.

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Nitkanth Purohit

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

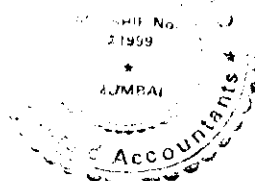
N. B. PUROHIT & CO.**CHARTERED ACCOUNTANTS**4, Jahangir Mansion Office Complex,
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8. According to the information and explanation given to us, the company has granted loans to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. In term of sub section (6) of Section 370 of the Companies Act, 1956, the Provisions of Section 370 are not applicable to a Company on or after 31st October, 1998.
9. The Company has given the Loan and Advances in the nature of loans. We have been explained that there is no definite stipulations regarding the recovery of principle amount. The parties are paying the principle amount from time to time and are also generally regular in payment of interest where stipulated. However, the company has also granted interest free loans to its wholly owned Subsidiaries and certain parties.
10. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchases of goods, equipment and other assets and with regard to the sales of goods.
11. In our opinion and according to the information and explanations given to us the transaction of purchase of goods and materials and sales of goods and raw materials made in pursuance of contracts or arrangements falling under section 301 of the Companies Act 1956, during the period aggregating to Rs.50,000/- or more, in respect of each party, have been made at prices which are reasonable having regard to specialised nature of items purchased, prevailing market for such goods, material or prices at which transaction for similar goods and materials have been made with other parties.
12. As explained to us the Company has a regular procedure for determination of damaged goods and material. there was no damaged goods.
13. The Company has not accepted any deposit from public, therefore relevant provision of section 58A of the Companies Act 1956, and rules there under are not applicable to the Company.

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Nilkanth Purohit

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

N. B. PUROHIT & CO.

CHARTERED ACCOUNTANTS

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14. The Company's activity does not generate any scrap or by-product.
15. The Company has an internal audit system commensurate with its size and nature of business.
16. We are informed that maintenance of cost records has not been prescribed by the central Government under section 209 (1) (d) of the Companies Act, 1956 for any of the products.
17. According to the information and explanation given to us Provident Fund collected from Employees is not deposited with concerned authority due to non allotment of P.F. Registration number under Provident Fund Act, 1925.
18. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales tax, Custom duty, Excise duty outstanding for a period of more than 6 months as at 31st March, 2000 from the date they become payable.
19. According to the information and explanation given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligation or in accordance with generally accepted business practice.
20. The Company is not a sick industrial Company within the meaning of clause (0) of Sub-Section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
21. The company is not engaged in any service activity.

FOR N.B. PUROHIT & COMPANY
CHARTERED ACCOUNTANTS.

(Signature)
(N.B. PUROHIT)
PROPRIETOR

PLACE: MUMBAI

DATED: 2nd September, 2000

