

**HINDUSTAN APPLIANCES LIMITED**

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**ANNUAL REPORT 2012-2013**

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**DIRECTORS:-**

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MR. MEHUL J. SHAH  
MR. SANJAY A. DESAI  
MR. RAVINDRA K. MYTRA  
MR. SUNIL HIRJI SHAH  
MR. KALPESH RAMESH SHAH

**REGISTERED OFFICE:-**

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C 101 Innova Marathon Next Gen.  
Off G. K. Marg,  
Opp. Peninsula Corporate Park,  
Lower Parel (W), Mumbai 400013

**AUDITORS**

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M/s. A.C. MODI & ASSOCIATES  
Chartered Accountants

**BANKERS**

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Bank of India

**Hindustan Appliances Limited**  
**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the members of HINDUSTAN APPLIANCES LIMITED will be held at the Registered Office of the Company at C-101, Innova, Marathon Next Gen, Off G.K. Marg, Opp. Peninsula Corporate Park, Lower Parel (W), Mumbai - 400 013 on Friday 30<sup>TH</sup> August ,2013 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr.Sunil Hirji Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mr.Kalpesh R. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. A.C. Modi & Associates, Chartered Accountants as Auditors and to fix their remuneration.

For and on behalf of the Board



K. R. Shah

Directors

**REGISTERED OFFICE:**

C-101, Innova, Marathon Next Gen,  
Off. G.K. Marg, Opp. Peninsula Corporate Park,  
Lower Parel (W),  
Mumbai - 400 013

Place : Mumbai

Dated : 30/05/2013

**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. The register of members and transfer books of the Company will remain closed from 26th August ,2013 to 30<sup>th</sup> August , 2013. (both days inclusive).
4. Brief resume of the directors being Re-appointed/appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and name of Companies in which they hold directorship and the membership of the committees of the board are furnished in the Corporate Governance Report

**HINDUSTAN APPLIANCES LIMITED**

**DIRECTORS' REPORT**

To,  
The Members

The Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2013.

Particulars	(Rs.in Lacs)	(Rs.in Lacs)
	Year ended 31.3.2013	Year ended 31.3.2012
Income from operation	84.23	86.66
Total	84.23	86.66
Gross Profit/ loss Before Depreciation and Taxation	81.19	84.85
Add : Income Tax of earlier year	0.13	0.01
Deduct:-		
Depreciation	0.00	0.00
Provision for taxation	25.20	26.30
Deferred tax liabilities	0.00	0.00
Net profit / Loss for the year	55.86	58.56
Balance brought forward	169.96	111.40
Balance carried forward	225.82	169.96

**DIVIDEND:**

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

**OPERATION:**

The Company has earned a gross total Income of Rs 84.23 lacs for the year under review against the gross total income of Rs. 86.66 lacs during the previous year.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Management discussion and analysis report for the year under review as required under Clause 49 of the Listing Agreement with the Stock Exchange is given in the report as a separate statement.

## **CORPORATE GOVERNANCE**

Necessary measures have been adopted to comply with the requirements of the listing agreement with stock exchange wherein the company's shares are listed. A separate Section on corporate governance report forms part of this annual report.

A certificate from the auditors of the company regarding compliance of the conditions of corporate governance as stipulated under clause 49 of the listing agreement is attached to this report.

## **SUBSIDIARIES**

Pursuant to the Provision of section 212 of the Companies Act ,1956 statement & other documents relating to the subsidiaries of the company are annexed to this report.

## **DIRECTORS.**

Mr. Sunil Hirji Shah and Mr. Kalpesh R Shah , Directors retire by rotation retires by rotation and being eligible offer themselves for reappointment.

## **PARTICULARS OF EMPLOYEES :**

The company did not employ anybody drawing remuneration of Rs. 60,00,000/- or more per annum or Rs.5,00,000/-or more per month and hence the question of providing information under section 217(2A) of the companies Act, 1956 does not arise.

## **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.

## **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. : Rs. Nil

Foreign exchange outgo. : Rs. Nil

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provision of Sub-Section (2AA) of section 217 of the companies Act, 1956 your directors confirm:

1. that in the preparation of the annual accounts for year ended 31st March, 2013 the applicable accounting standards have been followed with no departures there from;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31<sup>st</sup> March, 2013 and of the profit of the Company for that year;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
4. that the Directors have prepared the annual accounts for the year ended 31<sup>st</sup>,March ,2013 on a going concern basis.

The above statements have been noted by the Audit Committee at its meeting held on 30<sup>st</sup> May,13.

## **CONSOLIDATED FINANCIAL STATEMENTS:**

The Audited Financial Statement for the year under review ended 31<sup>st</sup>, march 2013 is annexed to this report. The Report and standalone audited accounts of all subsidiary companies along with statement pursuant to section 212 of the companies Act,1956 containing full details of the performance also form part of this Annual Report. These statements have been prepared on the basis of audited financial statement received from the subsidiary Companies as approved by their respective Boards.

## **AUDITORS :**

M/S. A. C. MODI & ASSOCIATES, Chartered Accountants, the present Auditors of the Company have furnished a certificate regarding their eligibility for re-appointment. You are requested to appoint auditors of the company and fix their remuneration.

## **FOR AND ON BEHALF OF THE BOARD**

*K.R. Shukla* *MD*

## **DIRECTORS**

**PLACE: MUMBAI,**

**DATED:**

# ANNEXURE TO DIRECTORS' REPORTS

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES.

S. No.	Particulars	Name Of The Company	
1	NAME OF THE SUBSIDIARY	JOGINDRA EXPORTS LIMITED	KSHANIKA TRADING LIMITED
2	HOLDING COMPANY'S INTEREST	5000 EQUITY SHARES OF 100 EACH FULLY PAID UP	5000 EQUITY SHARES OF 100 EACH FULLY PAID UP
3	EXTENT F HOLDING	100%	100%
4	SUBSIDIARY FINANCIAL YEAR	31ST MARCH, 2013	31ST MARCH, 2013
5	NET AGGREGATE AMOUNT OF SUBSIDIARIES' PROFIT/(LOSS) NOT DEALT WITHIN THE HOLDING COMPANY'S ACCOUNTS:		
(i)	i) FOR THE CURRENT FINANCIAL YEAR OF THE SUBSIDIARIES	Rs. Nil	(Rs.2,089.00)
(ii)	ii) FOR THE PREVIOUS FINANCIAL YEARS OF THE SUBSIDIARIES SINCE THEY BECOME THE HOLDING COMPANY'S SUBSIDIARIES.	Rs.Nil	( Rs.15,660.00)
6	NET AGGREGATE AMOUNT OF SUBSIDIARIES' PROFIT/ (LOSS) DEALT WITHIN THE HOLDING COMPANY'S ACCOUNTS	Nil	Nil
(i)	i) FOR THE CURRENT FINANCIAL YEAR OF THE SUBSIDIARIES.	Nil	Nil
(ii)	FOR THE PREVIOUS FINANCIAL YEARS OF THE SUBSIDIARIES SINCE THEY BECOME THE HOLDING: COMPANY'S SUBSIDIARIES.	Nil	Nil

FOR AND ON BEHALF OF THE BOARD

K.R. SETHI

19/11/13

DIRECTORS

PLACE: MUMBAI

DATED 30 MAR 2013

## HINDUSTAN APPLIANCES LIMITED

### CORPORATE GOVERNANCE

#### **1 PHILOSOPHY:**

Your Company believes that the Corporate Governance is a powerful medium to serve the long-term interest of all stockholders. Corporate Governance strengthens investors' trust and ensures a long term partnerships, which helps your Company in fulfilling its quest for achieving significant growth and profits. A sound governance process consists of a combination of business practices, which results in enhanced shareholder value and enable the Company to fulfill its commitment to customers, employees, lenders and the society in general. Your Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability and independent monitoring.

Your Company is committed to bench marking itself with the best in all areas including Corporate Governance. Your Company has bench marked its practices with the prevailing guidelines by upholding the core values across all aspects of its operation.

Your Company believes that Corporate Governance is not merely compliance - it is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities into reality.

#### **2 BOARD OF DIRECTORS**

The Board consists of five members. The composition of Board of Directors, the number of other directorships or board committees of which he is a member/ chairman are as under:

DIRECTORS	CATEGORY	No. of Outside Directorship Held		No. of other Company's Positions Held	
		Public	Private	Member	Chairman/ Chairperson
Mr.Sanjay A. Desai	Chairman & Director	2	7	-	-
Mr.Mehul J. Shah	Non Executive Director	4	96	-	-
Mr. Ravindra Myatra	Non Executive Director independent	0	2	-	-
Mr. Sunil Hirji Shah	Non Executive Director independent	1-	4	-	-
Mr. Kalpesh R. Shah	Non Executive Director independent	--	10	-	-

Brief resume of the directors being Re-appointed/appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and name of Companies in which they hold directorship and the membership of the committees of the board are furnished here under.

1) Mr. Sunil Hirji Shah aged 45 years. He has vast experience of about 15 years in the field of Marketing of Electricals and Electronics goods. He is director of following Companies:

- a) Anchor Softech Pvt. Ltd.
- b) Tatvam Constructions Pvt. Ltd.
- c) Crown Switchgears Pvt. Ltd.
- d) Jogindra Exports Limited
- e) Geena Aluminium Pvt. Ltd

He is a member of audit committee and shareholders committee of the Company. He does not hold any Equity Share of the Company.

2) Mr. Kalpesh R. Shah is aged 51 years . He has vast experience of over 25 years in the field of Accounts . He is director of the following companies.

S. No.	Name of the Company.
1	Hanima Investments Pvt. Ltd.
2	Bishakha Diamonds Pvt. Ltd.
3	Bashushree Die Castings Pvt. Ltd.
4	Avanti Kopp SwitchGears Pvt.Ltd.
5	Kunal Wires Pvt. Ltd.
6	Woods Anchor Electricals Pvt. Ltd
7	Kalindi Properties Pvt. Ltd.
8	Anchor Leasing Pvt. Ltd
9	Huges Softech Pvt. Ltd
10	Ariana Softech Pvt. Ltd.

He is a member of shareholders committee of the Company. He does not hold any Equity Share of the Company.

BOARD MEETINGS: 7 Meetings of the Board of directors were held during the financial year ended on 31st March,2013.

Dates of Board Meeting :
5 <sup>th</sup> April,2012
11 <sup>th</sup> July ,2012
14 <sup>th</sup> August,2012
5 <sup>th</sup> September,2012
14 <sup>th</sup> November,2012
14 <sup>th</sup> February,2013
25 <sup>th</sup> March, 2013



Attendance of the directors at the Board Meetings and last Annual General Meeting:

Name of the Director	Attendance Particulars	
	No of Board Meetings attended	AGM
Mr.Sanjay A. Desai	7	Present
Mr.Mehul J. Shah	7	Present
Mr.Ravindra K. Mytra	7	Present
Mr. Sunil H. Shah	7	Present
Mr. Kalpesh R. Shah	7	Present

### **3 AUDIT COMMITTEE:**

Broad terms of reference is in accordance with the provisions of Section 292 A of the Companies Act,1956 and Clause 49 of the Listing Agreement inter alia is as under:

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statement is correct, sufficient and credible.
- (b) To recommend the appointment/removal of external auditors, fixing audit fees.
- (c) To review with the management the annual financial statements before submission to the Board, focusing primarily on :
  - \* Any changes in accounting policies and practices.
  - \* Major accounting entries based on exercise of judgment by management .
  - \* Qualifications in draft Audit Report
  - \* The going concern assumption
  - \* Compliance with the accounting standards.
  - \* Compliance with Stock Exchanges and legal requirements concerning financial statements.
  - \* Any related party transactions.
- (d) To review with management the efficacy of internal control systems  
Composition, Name of Members and Chairman

Name	Designation	Number of Meetings	
		Held	Attended
Sunil H. Shah	Chairman -Non Executive Director & independent	4	4
Ravindra K. Myatra	Non Executive Director & independent	4	4
Kalpesh R. Shah	Non Executive Director & independent	4	4

(e) 4 Meetings of the Audit Committee were held during the financial year ended 31/3/2013 as under: