



Modi Hoover

THIRTEENTH

ANNUAL

REPORT

1998-99

Report Junction.com

Modi Hoover International Limited



BOARD OF DIRECTORS

Mr. Satish Kumar Modi

Chairman

Mrs. Shalini Nopany

Mr. Ved Parkash Arya

Mr. Ashok Kumar Gupta

Auditors

MANGLA ASSOCIATES

Chartered Accountant

108 & 109, Ansal's Satyam,

Raj Nagar,

Ghaziabad-201 002 U.P. India

Registered Office

Mezzanine Floor,

Hemkunt Tower

98, Nehru Place

New Delhi-110 019

Head Office

11th floor

Hemkunt Tower

98, Nehru Place

New Delhi-110 019

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**MODI HOOVER INTERNATIONAL LIMITED****REGD. OFFICE MEZZANINE FLOOR, HEMKUNT TOWER, 98 NEHRU PLACE, NEW DELHI 110 019**

NOTICE is hereby given that the 13TH ANNUAL GENERAL MEETING OF MODI HOOVER INTERNATIONAL LIMITED will be held on Friday, the 31st day of December, 1999 at 9.30 A.M. at E-2, East of Kailash, New Delhi to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 30th June 1999 and the Profit and Loss account for the year ended on that date together with the Reports of Directors' and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Gupta who retires by rotation and being eligible, offer himself for reappointment.
2. To appoint a Director in place of Mr. Ved Prakesh Arya who retires by rotation and being eligible, offer himself for reappointment.
3. To appoint M/s Mangla Associates, Chartered Accountants as Auditors of the Company and to fix their remuneration.

Speceial Business

5. To consider and if thought fit to pass with or without modification (s) the following resolution as a Special Resolution

"RESOLVED THAT" subject to necessary approvals from the Appropriate Authorities, if any the consent of the members of the company be and is hereby accorded to the Board of Directors of the Company for voluntarily delisting of company's equity share from Ahemdabld Stock Exchange and Calcutta Stock Exchange since the company has been suffering losses from the last four years and is not availing the services of the said Stock Exchanges.

FURTHER RESOLVED THAT that equity share of the Company will continue to be listed at the Delhi Stock Exchange and Mumbai Stock Exchange.

FURTHER RESOLVED THAT Board of Directors of the Company be and are also authorised to make the formal application to Ahemdabad Stock Exchange and Culcatta Stock Exchange for voluntary delisting and to do all such acts, deeds, sign documents as it is necessary in this regard."

By Order of the Board

FOR MODI HOOVER INTERNATIONAL LIMITED

DATE : 04.12.1999

PLACE: New Delhi

VED PRAKASH ARYA

DIRECTOR

IMPORTANT NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIM. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MITTING.
2. Members/Proxies attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting Hall.
3. Members are requested to notify the Company immediately about their change of address, if any.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 30th December, 1999 to 31st December, 1999 (both days inclusive).
5. Members attending the meeting are requested to bring their copy of the Annual Report as extra copies will not be supplied as a measure of economy.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 173 (2A) OF THE COMPANIES ACT, 1956**Item No.5**

The Board of Directors in their meeting on 4th December 1999 have decided to go for voluntarily delisting of company's equity share from Ahemdabad Stock Exchange and Calcutta Stock Exchange since the company has been suffering cash losses from the last four years and is not availing the services of the said Stock Exchanges.

Further substantial shareholders do not reside in these regions and the equity share of the company has not been traded on any of the said Stock Exchanges.

The consent of the members is necessary for the delisting of the equity shares pursuant to the requirement, hence this resolution is item no. 5

None of the Director is concerned of interested in the resolution.

By Order of the Board

FOR MODI HOOVER INTERNATIONAL LIMITED

DATE : 04.12.99

PLACE: New Delhi

VED PRAKASH ARYA

DIRECTOR



DIRECTORS'REPORT

Dear Members

Your Directors have pleasure in presenting this 13th Annual Report of the Company together with the Audited Balance Sheet as at 30th June, 1999 and Profit and Loss Account for the year ending on 30th June, 1999.

FINANCIAL RESULTS

(Rupees in '000)

	Year Ended 30th June, 1999	Year Ended 30th June, 1998
Total Sales & Other Income	17521	35209
Net Profit/(Loss)	(10355)	(20237)
Depreciation	464	499
Misc./Preliminary Expenditure written off	3730	3,730
Profit/(Loss) before Tax	(14549)	(24467)
Provision for Tax	-	-
Net Profit/(Loss) for the year	(14549)	(24467)
Profit/(Loss) transferred to Balance Sheet	(14549)	(24467)
Profit/Loss b/f from previous year balance available for Appropriation	(100539)	(76072)
Balance carried over to Balance Sheet	(115088)	(100539)

DIVIDEND

In view of the losses no dividend has been recommended for accounting year 1998-99.

OPERATIONS

Because of the irregular and delayed supplies from the suppliers, the company could not meet the target of selling the desired number of units of vacuum cleaners and water purifier. The turnover and other income at Rs 175.21 lakhs was lower as compared to turnover and other income of Rs. 352.09 lakhs in the previous year, though the Net loss of Rs. 145.49 lakhs was also lower as compared to the previous year of Rs. 244.67. But your Directors are hopeful of the better results in the future.

As the members are aware your Company has already launched Water Purifier, which is available in the market at a very competitive price by the name and style "AQUA PURE". Your Company is also considering the proposal of launching a new range of other products in the market in the coming period with additional features but with low cost. During the financial year your Company has made arrangements with other suppliers and manufacturers to ensure a constant supply of products.

DEPOSITS

The Company has not accepted any deposits from the public.

DIRECTORS

Mr. S.K. Modi, Ms. S. Nopany, Mr. Ved Prakash Arya and Mr. Ashok Kumar Gupta are the Directors of the Company. Mr. Ved Parkesh Arya and Mr. Ashok Kumar Gupta retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for the reappointment.

AUDITORS

M/s Mangla Associates, Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for the reappointment.

The Auditors Reports is appended this report and is self explanatory.



Y2K COMPLIANCES

- i) **Risk to the Company due to Y2K bug :-** Since the Company is a Marketing Company, there is not much operations which may be adversely affected by Y2K bug. The only risk which the company foresee may be in Account and Secretarial Department The Company has already taken preventive steps by updating its programs.
- ii) **Cost to address Company's Y2K issues :-** Apart from small patchwork, the company has completed all action plan, and upto the Nov. 15, 1999, Rs.0.35 lakh has been spent and further 0.10 lakh is planned to be spent for the said patch work.
- iii) **Contingency Plan :-** all efforts are being made to ensure full Y2K readiness through testing of updated programs. For any emergency full back up is being taken on Tapes.

REDUCTION OF CAPITAL

Your Company filed an application with the Hon'ble High Court at New Delhi for confirmation of Reduction of Capital in November, 1998 last year under section 100, 101 and 102 of the Companies Act, 1956. the Hon'ble High Court in its order confirm the reduction of Capital from Rs. 50,50 Crores to 24.47 Crores. Consequent to the order of the Hon'ble High Court the Share Capital structure of the Company will be reorganised and accordingly new shares will be issued in lieu of the partly paid equity shares after completing all formalities in due course of time.

DELISTING OF SHARES

The Board of Directors in their meeting held on 4th December, 1999 have decided to go for voluntarily delisting of company's equity share from Ahmedabad Stock Exchange and Calcutta Stock Exchange since the company has been suffering cash losses from the last four years and is not availing the services of the said Stock Exchanges. Further substantial shareholders do not reside in these regions and the equity share of the company has not been traded on any of the said Stock Exchanges from a long period.

EXPORTS

During the period there was no export activity, but the company has received an export order of Rs. 30.00 Lakhs (approx.) during the current year. The Company envisages further increase in the export turnover in the times to come.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

There is no employee in the Company receiving remuneration as set out section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

INFORMATION UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956

Your Company has no activity relating to conservation of energy and technology absorption Further there was no export activity during the period under review.

ACKNOWLEDGEMENT

Your Directors acknowledge the support received from Distributor, Dealers and Customers and also wish to place on record their appreciation of the dedicated efforts of the Company's personnel at all levels also acknowledge the support and coordination received from Banks and from the Government authorities.

By Order of the Board

FOR MODI HOOVER INTERNATIONAL LIMITED

Ashok Kumar Gupta
DIRECTOR

VED PRAKASH ARYA
DIRECTOR

DATE : 04.12.1999
PLACE: New Delhi

SHAREHOLDERS' INFORMATION

Registered Office

Mezzanine Floor, Hemkunt Tower,
98 Nehru Place, New Delhi - 110 019.

Share Transfer Arrangement : Inhouse

Stock Exchanges (Where Company's shares are listed)

1. The Delhi Stock Exchange Association Ltd.
West Plaza, I.G.Stadium, I.P. Estate, New Delhi - 110 002.
2. The Stock Exchange, Ahmedabad.
Kamdhenu Complex, Near Polytechnic, Panjara pole, Ahmedabad - 380 015.
3. The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Calcutta - 700 001.
4. The Stock Exchange, Mumbai.
Phiroze Jeejoeghoy Tower, Dalal Street, Mumbai - 400 023.