

# HARI GOVIND INTERNATIONAL LIMITED

## NOTICE

NOTICE is hereby given that the 19<sup>th</sup> Annual General Meeting of the members of **HARI GOVIND INTERNATIONAL LTD** will be held on Tuesday, the 30<sup>th</sup> day of September, 2008 at 4.30 p.m. at the registered office of the Company at 34/35, Mahindra Chambers, D.N. Road, Fort, Mumbai 400 001 to transact the following business :

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Director's and Auditor's reports and Audited Balance Sheet as on 31<sup>st</sup> March, 2008 and Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Mrs. Amaridevi H. Maniyar, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### **Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Explanatory Statement, pursuant to section 173(2) in respect of Special business to be transacted at the Meeting is annexed herewith.
3. Members are required to intimate the change, if any in their registered address.
4. The Register of Members and Share Transfer Books shall remain closed from Monday, 22<sup>nd</sup> September, 2008 to Monday, 29<sup>th</sup> September, 2008 both days inclusive.

For and on behalf of the Board of Director

Place: Mumbai  
Date : 20<sup>th</sup> August, 2008

  
Jugalkishore Maniyar  
DIRECTOR

## DIRECTORS' REPORT

To.  
The Members of  
**HARI GOVIND INTERNATIONAL LIMITED**

Yours Directors have pleasures in presenting the Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2008

### FINANCIAL RESULTS:

	31.03.08	31.03.07
Total Income	83,71,681	Nil
Total Expenditure	85,56,693	1,99,019
PROFIT / (LOSS) BEFORE DEPRECIATION AND TAX	1,85,012	1,99,019
Less : Depreciation	Nil	Nil
PROFIT / (LOSS) BEFORE TAX	1,85,012	1,99,019
Less : Provisions for Tax	Nil	Nil
PROFIT / (LOSS) AFTER TAX	(1,85,012)	(1,99,019)
Profit / (Loss) brought forward from earlier year	(2,00,27,553)	(1,98,28,534)
PROFIT/(LOSS) CARRIED TO BALANCE SHEET	(2,00,27,553)	(1,98,28,534)

### OPERATIONS REVIEW:

The factory of the Company is under closure since 1999-2000, there was no commercial operation during the years.

### DIVIDEND :

In view of the Losses, your Directors do not recommend any dividend for the year.

### DIRECTORS:

Mrs Amaridevi H. Maniyar retires by rotation and being eligible offer herself for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors confirm that :

1. In preparation of Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to the material departures, if any.
2. The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year ended 31<sup>st</sup> March, 2008 and of the Profit of the Company for that year.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
4. The Directors have prepared the annual accounts on a going concern basis.

**PUBLIC DEPOSITS :**

The Company has not accepted the deposits from the public.

**AUDITORS:**

The present Statutory Auditors M/s DILIP JAMBHEKAR & COMPANY, Chartered Accountants of the Company retires at ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**AUDITORS' REPORT :**

The Observation made in the Auditors' Report are self explanatory and therefore do not call for any further comments on the Auditors Report under section 217 of the Companies Act, 1956.

**CORPORATE GOVERNANCE:**

The factory of the Company is under closure since 1999-2000 and there is no commercial / trading activities in the Company. The financial conditions of the Company is also very critical.

In terms of clause 49 of the Listing Agreement, a Report on the Corporate Governance is enclosed herewith.

**STATUTORY INFORMATION ABOUT EMPLOYEES, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:**

The Company had no employees covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Since the Company is not having any manufacturing activities, Directors have nothing to report on conservation of Energy, Research & Development and Technology Absorption.

During the year, Foreign Exchange earning was Nil and outgo was Nil.

**ACKNOWLEDGEMENT:**

Yours Directors would like to thank its Bankers and shareholders of the Company for the unstined support from them during the year.

Yours Directors would like to place on record their appreciation for the dedicated efforts and services put in by the employees of the Company.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date : 20<sup>th</sup> August, 2008

  
DIRECTOR

  
DIRECTOR

## REPORT ON CORPORATE GOVERNANCE

Your Directors submit their report on the Corporate Governance of the Company for the Financial Period 2007-2008.

### COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company Philosophy on Corporate Governance is to adopt internal and external measures to increase the level of transparency and accountability and to respect the laws of land & rights of stakeholders and to uphold at all times fundamental values of accountability, probity and transparency. However as the first objective of the Company is to revive the operation of the Company.

In view of all above, the clause 49 of the Listing Agreement in respect of Corporate Governance could not be complied with. However at the Board Meeting held on 31<sup>st</sup> July, 2007, Mr. Raghavendra P. Gaikawaiari and Mr. Ashok R. Sarada were appointed as Independent Directors and the Committee like Audit Committee, Shareholders' Grievance Committee were constituted and efforts are being made to comply with clause 49 of the Listing Agreement.

### MANAGEMENT DISCUSSION:

The Factory of the Company is closed since 1999-2000 and thereby no manufacturing operation was there during the financial year under review.

However the Management is putting its all efforts to explore the business potentialities and revive the Company.

There are no financial or commercial transactions having a potential conflict of interest between personnel in the management and the Company.

### BOARD OF DIRECTORS:

The Board of Directors comprises of One Executive Directors (Promoter) and Two Non-executive Directors (Promoter-Group) and Two Non-executive Director (Independent).

During the financial year 1<sup>st</sup> April, 2007 to 31<sup>st</sup> March, 2008, 5 Board Meetings were held on 30<sup>th</sup> April, 2007, 31<sup>st</sup> July 2007, 20<sup>th</sup> August 2007, 31<sup>st</sup> October 2007, and 31<sup>st</sup> January 2008,.

The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship / Membership of Committees are as follows:

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance of last AGM	No. of Other Directorship	Committee Membership	
					Member	Chairman
Mr Jugalkishor Maniyar	ED	5	YES	NIL	NIL	NIL
Mrs. Sunita J. Maniyar	NED	5	YES	NIL	NIL	NIL
Mrs. Amridevi H. Maniyar	NED	5	YES	NIL	NIL	NIL
Mr. Raghavenra P. Gaikawaiari	NED	3	Yes	NIL	NIL	NIL
Mr. Ashok R. Sarada	NED	3	Yes	NIL	NIL	NIL

NED – Non-executive Director

ED – Executive Director

**Brief profile of Director seeking re-election/election:**

The Retiring Directors Mrs. Amridevi H. Maniyar - Non-executive Promoter Group Director, eligible for re-appointment, offer herself for re-appointment.

**Details of Directorship in other public limited Companies:**

<b>Name of Director</b>	<b>No. of Directorship</b>	<b>No. of Committee Memberships</b>
Mr. Jugalkishore Maniyar	Nil	Nil
Mrs. Sunita J. Maniyar	Nil	Nil
Mrs. Amridevi H. Maniyar	Nil	Nil
Mr. Raghavendra P. Gaikawaiari	Nil	Nil
Mr. Ashok R. Sarada	Nil	Nil

**Promoter Directors:**

Mr. Jugal Kishore Maniyar	Executive Director
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**Independent Directors:**

Mr. Raghavendra P. Gaikawaiari	Members Audit Committee and Shareholder/Investor Grievance Committee with effect from 31.07.2007
Mr. Ashok R. Sarada	Members Audit Committee and Shareholder/Investor Grievance Committee with effect from 31.07.2007

**Audit Committee:**

The Audit Committee were constituted on 31<sup>st</sup> July, 2007 with the appointment of Mr. Raghavendra P. Gaikawaiari and Mr. Ashok R. Sarada and this Committee consist of Mr. Jugalkishore Maniyar – Chairman, Mr. Raghavendra P. Gaikawaiari and Mr. Ashok R. Sarada as Members.

The Audit Committee met on 20<sup>th</sup> August 2007, 31<sup>st</sup> October 2007, and 31<sup>st</sup> January 2008 after its constitution and it oversees the general accounting practice and other management policies.

**Details of Remuneration to the Directors during the period :**

(Amount in Rs.)

<b>Name of the Director</b>	<b>Salary</b>	<b>Commission</b>	<b>Perquisite</b>	<b>Sitting Fees</b>
Mr. Jugalkishore Maniyar	NIL	NIL	NIL	NIL
Mrs. Sunita J. Mainyar	NIL	NIL	NIL	NIL
Mrs. Amridevi H. Maniyar	NIL	NIL	NIL	NIL
Mr. Raghavendra P. Gaikawaiari	NIL	NIL	NIL	NIL
Mr. Ashok R. Sarada	NIL	NIL	NIL	NIL

**Share Transfer Committee/Investor Grievance Committee:**

The Board has constituted the Share Transfer Committee consisting of Mr. Jugalkishore Maniyar - Chairman with Mr. Raghavendra P. Gaikawaiari and Mr. Ashok R. Sarada as Members on 31<sup>st</sup> July, 2007 to consider and approve Transfer of shares in the physical form and allied matters

**Shareholder/Investor Service:**

Is handled by Mr. Jugalkishore Maniyar who provides timely services.

**Name and Designation of Compliance Officer:**

Mr. Jugalkishore Maniyar, Managing Director

**GENERAL BODY MEETINGS:**

Financial Year	Date	Venue
1 <sup>st</sup> April,2004 to 31 <sup>st</sup> March, 2005	22.09.2005	34/35, Mahindra Chambers. D.N. Road, Fort, Mumbai 400 001
1 <sup>st</sup> April, 2005 to 31 <sup>st</sup> March, 2006	29.09.2006	34/35, Mahindra Chambers. D.N. Road, Fort, Mumbai 400 001
1 <sup>st</sup> April, 2006 to 31 <sup>st</sup> March, 2007	29.09.2007	34/35, Mahindra Chambers. D.N. Road, Fort, Mumbai 400 001

**DISCLOSURES:**

There are no materially significant related party transactions. There are other related party commercial transactions, which are reported in the accounting part of this report.

**MEANS OF COMMUNICATION:**

Quarterly, half – yearly and annual results have been communicated to Stock Exchanges Mumbai where the shares of the Company's is listed. Annual Reports are dispatched to all the shareholders. No presentation to institutional investors or analysts was made during the year. Management discussion and Analysis is part of the Annual Report.

**SHAREHOLDER INFORMATION :**

- Annual General Meeting to be held on 30<sup>th</sup> September, 2008
- Financial Year 1<sup>st</sup> April, 2007 to 31st March, 2008.
- Dividend Payment Date NIL
- Listing in Stock Exchanges Mumbai Stock Exchange
- Venue 34/35, Mahindra Chambers, D.N. Road, Fort, Mumbai
- Stock Code 531971
- Market Price Data: : The trading on equity shares of the Company had been suspended by the Bombay Stock Exchange Limited.
- Share Transfer Systems: Transfers of physical shares are affected In house after approval by the Share Transfer Committee.
- Distributions of Share Holdings as on 31-03-2008

Category	No. of Shares held	% of Shareholding
Promoters	37,50,000	75.00
Others	12,50,000	25.00

10. The shares are in Physical mode only

**13. Address of Correspondence:**

Shareholder Correspondence in relation to Transfer of Shares queries should be addressed to:

**HARI GOVIND INTERNATIONAL LIMITED**

Admin Office : Gala No. 14, Software Technology Park, Link Road, Sadar, Nagpur.

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE  
GOVERNANCE**

To,  
The Members  
Hari Govind International Limited

We have examined the compliance conditions of Corporate Governance by M/s Hari Govind International Limited for the year ended 31<sup>st</sup> March, 2008 as stipulated in clause 49 of the Listing Agreement of the Said Company with Bombay Stock Exchange Limited

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our Examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, Clause 49 of the Listing Agreement could not be complied with during the year as the factory of the Company is under closure since 1999-2000, there was no commercial operation during the year and also the financial conditions of the Company was very critical. However at the Board Meeting held on 31<sup>st</sup> July, 2007, Mr. Raghavendra P. Gaikawaiari and Mr. Ashok R. Sarada were appointed as Independent Directors and the Committee like Audit Committee , Shareholders' Grievance Committee were constituted and efforts are being made to comply with clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, We have to state the based on the information given by Investor Grievance Committee of the Company as on 31<sup>st</sup> March,2008, there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For And on Behalf Of  
**Dilip Jambhekar & Co.**  
Chartered Accountants

Sd/-  
Vinay P. Sapre  
(Partner)  
Member Ship No.103602

Place : Mumbai  
Date : 20<sup>th</sup> August, 2008



DILIP JAMBHEKAR & COMPANY,  
CHARTERED ACCOUNTANTS,  
214 & 215, GOLDEN PALACE,  
NEAR SUDAMA TALKIES,  
W.H.C. ROAD, DHARAMPETH,  
NAGPUR-440018.

TEL. NO. [0] 2546962.

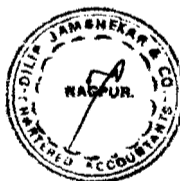
AUDITOR'S REPORT

The Members of M/S HARI GOVIND INTERNATIONAL LIMITED.

1. We have audited the attached Balance Sheet of M/S HARI GOVIND INTERNATIONAL LIMITED. (name of the company), as at 31<sup>st</sup> March, 2005, and also the profit and loss account for the year ended on that date annexed thereto [in which are incorporated accounts of NIL branches audited by us, NIL branches audited by other auditors and NIL Branches exempt from audit under the Companies (Branch Audit) Exemption Rules, 1961]. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.



3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
  - (i) 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 ;
  - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditor's Report have forwarded to us and have been appropriately dealt with] ;
  - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account [and with the audited returns from the branches] ;
  - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;
  - (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2008 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 ;



- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- (a) in the case of the balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2003 ;
  - (b) in the case of the profit and loss account, of the profit/loss for the year ended on that date.

FOR DILIP JAMBHEKAR & COMPANY,  
CHARTERED ACCOUNTANTS.

PLACE : NAGPUR.

DATE : 20<sup>th</sup> August, 2003.



(VINAY P. SAPRE)  
PARTNER

Membership No. 103402.

DILIP JAMBHEKAR & COMPANY,  
CHARTERED ACCOUNTANTS,  
214 & 215, GOLDEN PALACE,  
NEAR SUDAMA TALKIES,  
W.H.C. ROAD, DHARAMPETH,  
NAGPUR-440010.

TEL. NO. [0] 2546902.

ANNEXURE - "A" : TO THE AUDITORS REPORT.

Annexure referred to in paragraph (1) of our report of even date on the Accounts of M/S HARI GOVIND INTERNATIONAL LTD., for the year ended 31<sup>st</sup> March, 2000 :

It is informed by the management and directors of the company that the company is under closure since 1999-2000. Most of the records in the form of original register, documents etc. are soiled and destroyed by termites that were kept in factory premises.

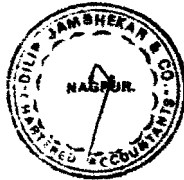
Regarding the inventory position, there are no records available for the period from 01-04-1999 to 31-03-2000 and onwards.

Whatever data and records that the management have collected from the available spoiled papers etc. is made available to us for audit and examination for the said financial year.

From the above available records the comments on the accounts as annexure to auditor report is as follows.

1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. As the company ceases to operate the company had not verified all the fixed assets physically. However to the best of our information and explanations given to us no serious discrepancies been noticed in the records.
2. None of the Fixed Assets have been revalued by the company during the year.
3. Physical verification was not conducted by the management at reasonable intervals during the year in respect of finished goods, raw material, stores & spare part as the operation of the company had stopped in the year 1999-2000.

1.2.



DILIP JAMBHEKAR & COMPANY,  
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NEAR SUDAMA TALKIES,  
W.H.C. ROAD, DHARAMPETH,  
NAGPUR-440010.

TEL. NO. [0] 2546902.

ANNEXURE - "A" : TO THE AUDITORS REPORT.

Annexure referred to in paragraph (1) of our report of even date on the Accounts of M/S HARI GOVIND INTERNATIONAL LTD., for the year ended 31<sup>st</sup> March, 2000 :

It is informed by the management and directors of the company that the company is under closure since 1999-2000. Most of the records in the form of original register, documents etc. are soiled and destroyed by termites that were kept in factory premises.

Regarding the inventory position, there are no records available for the period from 01-04-1999 to 31-03-2000 and onwards.

Whatever data and records that the management have collected from the available spoiled papers etc. is made available to us for audit and examination for the said financial year.

From the above available records the comments on the accounts as annexure to auditor report is as follows.

1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. As the company ceases to operate the company had not verified all the fixed assets physically. However to the best of our information and explanations given to us no serious discrepancies been noticed in the records.
2. None of the Fixed Assets have been realised by the company during the year.
3. Physical verification was not conducted by the management at reasonable intervals during the year in respect of finished goods, raw material, stores & spare part as the operation of the company had stopped in the year 1999-2000.



12. As explained to us the company has a regular procedure for determination of unserviceable or damaged stores, raw materials or finished goods, the loss arising on items so determined is appropriately dealt with in the books of accounts. However this point is not applicable to the current financial year as the operation of the company was shut down in the financial year 1999-2000.
13. The company has not accepted any deposits from the public.
14. The company has no by-products and in our opinion reasonable records have been maintained by the company for sale and disposal of realizable scraps, wherever significant.
15. The company did not have any formal internal audit system but its internal control procedure ensures the checking of financial records which in our opinion is reasonable commensurate with its size and nature of its business.
16. The central government has not prescribed maintenance of cost records to zip manufacturing industry under section 209 (1) (d) of the Companies Act 1956 (1 of 1956).
17. The company is regular in depositing Provident Fund and Employees State Insurance dues with the appropriate authority.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Customs Duty and Excise Duty, Wealth Tax, Sales Tax were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
19. During the course of our examination of the books of accounts carried out in accordance with generally accepted auditing practices and as per the information and explanations given to us there are no personal expenses charged to revenue account.



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20. The Company is not a sick industrial company within the meaning of clause (O) of the sub-section (1) of section (3) of the Sick Industrial Companies, (Special) Provision Act, 1985.

FOR DILIP JAMBHEKAR & COMPANY,  
CHARTERED ACCOUNTANTS.

PLACE: NAGPUR.

DATE : 20<sup>th</sup> August, 2008.



(VINAY P. SAKRE)  
PARTNER.

Membership No. 183692.

SCHEDULE - 13:

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT 31<sup>ST</sup>  
MARCH, 2008 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

# HARI GOVIND INTERNATIONAL LIMITED,

FACTORY: OPP, YCCE, HINGNA ROAD, WANADONGRI, NAGPUR-441 110.

CORSPANDCE ADDR.: 125, WARDHAMAN NAGAR, NAGPUR-440 008

## BALANCE SHEET AS AT 31ST MARCH 2008

	<u>SCHEDULE</u>	<u>31-Mar-08</u>	<u>31-Mar-07</u>
<b>I. SOURCES OF FUND</b>			
<b>1 SHARE HOLDER'S FUND</b>	<b>1</b>		
a) Equity Share Capital.		50,000,000.00	49,979,000.00
b) Reserves and Surplus.			
i) Investment Allowance Reserve.		1,221,901.00	1,221,901.00
ii) Revaluation Reserve.		1,499,672.00	1,499,672.00
iii) Profit & loss Account.		(20,212,564.56)	(20,027,552.96)
iv) State Capital Incentive.		3,000,000.00	3,000,000.00
<b>Sub Total Rs.</b>		<b>35,509,008.44</b>	<b>35,673,020.04</b>
<b>II. LOAN FUNDS:</b>			
a) Secured Loans.	<b>2</b>		
b) Unsecured Loans		10,261,764.00	9,918,743.00
<b>Sub Total Rs.</b>		<b>10,261,764.00</b>	<b>9,918,743.00</b>
<b>Grand Total Rs.</b>		<b>45,770,772.44</b>	<b>45,591,763.04</b>
<b>II. APPLICATION OF FUNDS:</b>			
1) Fixed Assets : (Net Block)	<b>3</b>	28,060,206.00	28,060,206.00
2) Investments.	<b>4</b>	9,230.00	9,230.00
<b>Sub-Total Rs.</b>		<b>28,069,436.00</b>	<b>28,069,436.00</b>
3) <b>Current Assets, Loans &amp; Advances</b>			
a) Current Assets.	<b>5</b>	5,214,969.44	1,686,597.04
b) Loans & Advances.	<b>6</b>	12,008,111.00	12,008,111.00
		17,223,080.44	13,694,708.04
<b>Less: Current Liabilities &amp; Provisions.</b>	<b>7</b>	7,265,652.00	3,916,289.00
<b>Sub-Total Rs.</b>		<b>9,957,428.44</b>	<b>9,778,419.04</b>
<b>Net Current Assets Rs.</b>		<b>38,026,864.44</b>	<b>37,847,855.04</b>
4) <b>Miscellaneous Expenditure to the extent</b> not written off or adjusted.		88,771.00	88,771.00
mining Development Expenditure		7,655,137.00	7,655,137.00
<b>Total Rs.</b>		<b>7,743,908.00</b>	<b>7,743,908.00</b>
<b>Grand Total Rs.</b>		<b>45,770,772.44</b>	<b>45,591,763.04</b>
Notes to Accounts.	<b>13</b>		

As per Attached Report of Even Date.

For and behalf of the Board

Dilip Jambhakar & Co.  
Chartered Accountants

Harigovind International Limited

(Vinay P. Sapre)  
Partner  
Date: 20/03/08



*[Signature]*  
Director

*[Signature]*  
Director



**HARI GOVIND INTERNATIONAL LIMITED,**  
**FACTORY: OPP. YCCE, HINGNA ROAD, WANADONGRI, NAGPUR-441 110.**  
**CORSPANDCE ADDR.: 125, WARDHAMAN NAGAR, NAGPUR-440 008**

**PROFIT & LOSS ACCOUNT AS AT 31ST MARCH 2008**

	<u>SCHEDULE</u>	<u>31-03-2008</u>	<u>31-03-2007</u>
<b>I INCOME:</b>			
Sales.		8,371,680.67	-
Variation in Stock	8	-	-
Total Rs.		<u>8,371,680.67</u>	<u>-</u>
<b>II EXPENDITURE:</b>			
Raw Material Consumed.	9	8,229,572.00	-
Salaries, Wages & Other Establishment Expenses.	10	120,000.00	-
Manufacturing Administrative and Selling Expenses.	11	205,996.67	199,019.00
Total Rs.		<u>8,555,568.67</u>	<u>199,019.00</u>
Loss before Financial Charges and Depreciation.		<u>(183,888.00)</u>	<u>(199,019.00)</u>
Less: Financial Charges.	12	1,123.60	-
Depreciation		-	-
Total Rs.		<u>1,123.60</u>	<u>-</u>
Loss for the period.		(185,011.60)	(199,019.00)
Add: Provision for Taxation		-	-
		(185,011.60)	(199,019.00)
Add: Balance brought forward.		<u>(20,027,552.96)</u>	<u>(19,828,533.96)</u>
Less Proposed Divident on Equity Shares.		-	-
Balance carried to Balance Sheet.		<u>(20,212,564.56)</u>	<u>(20,027,552.96)</u>

As per Attached Report of Even Date.

For and behalf of the Board

Dilip Jambhekar & Co.  
Chartered Accountants

Harigovind International Limited

(Vinay P. Sapre)  
Partner  
Date: 20/08/08



*[Signature]*  
Director

Director

**HARI GOVIND INTERNATIONAL LIMITED**  
 FACTORY - OPP. YCCE, HIGNA ROAD, WANADONGRI, NAGPUR - 441 110  
 CORRESPONDENCE ADDR. : 125, WARDHAMAN NAGAR, NAGPUR 440 008.

**SCHEDULE TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2008**

**SCHEDULE: 1 :**

<b>HARE CAPITAL :</b>	31-03-2008	31-03-2007
Authorised Share Capital 52,50,000 equity Shares of Rs. 10/- each.	52,500,000.00	52,500,000.00
<b>Issued, Subscribed and Paid Up Share Capital:-</b> 50,00,000 Equity Shares of rs. 10/- each fully paid up. Out of the above shares, 21,45,000 Shares are allotted as fully paid up bonus shares by capitalisation of Revaluation Reserve of Rs. 1,66,08,000/- General Reserve of Rs. 27,30,000/- and from profit & Loss account Rs. 21,12,000/-.	50,000,000.00	50,000,000.00
<b>Less :</b> Calls in Arrears.	-	21,000.00
	<b>TOTAL RS.</b>	<b>49,979,000.00</b>

**SCHEDULE: 2 :**

**A) SECURED LOAN:**

From the Bank of Maharashtra M.I.D.C. Nagpur (DRT. Settlement Order attached) Secured by second legal mortgage and charge on all fixed assets both present & future & by floating charges on stocks of raw material, goods in process, finished goods, semi finished goods, consumable stores and book debts)	-	-
	<b>TOTAL RS.</b>	<b>-</b>

**B) UNSECURED LOANS:-**

Mr Jugalkishore H. Maniyar	10,261,764.00	9,918,743.00
	<b>TOTAL RS.</b>	<b>10,261,764.00</b>



**HARI GOVIND INTERNATIONAL LIMITED,**  
**FACTORY, OPP. VICE-KINGNA ROAD, MADONKAL, NAGPUR-441 119,**  
**CORPORATE OFFICE, 12B, WARDHANANAGAR, NAGPUR-440 082**

**SCHEDULE - 3,**  
**FIXED ASSETS:**

For the year ended 31st March 2008

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Gross Block as on 1/4/2007	Addition During the year	Deduction during the year	Pre operative expenses capitalised	Gross Block as on 31-03-2008	Provision as on 1/4/2007	Provision Written back	Provision as on 31-03-2008	Net block as on 31-03-2008	Net block as on 31-03-2007
1 Land.	2801557	-	-	-	2801557	-	-	-	2801557	(2801557)
2 Development of Land	123782	-	-	-	123782	-	-	-	123782	(123,782.00)
3 Factory Building	5,954,284.00	-	-	-	5,954,284.00	-	-	-	5,954,284.00	(5,954,284.00)
4 Plant and Machinery	13,556,917.00	-	-	-	13,556,917.00	-	-	-	13,556,917.00	(13,556,917.00)
5 Electrical Installation & Fitting	414,322.00	-	-	-	414,322.00	-	-	-	414,322.00	(414,322.00)
6 Furniture Fixture & Office Equipments	2,995,224.00	-	-	-	2,995,224.00	-	-	-	2,995,224.00	(2,995,224.00)
7 Vehicle	2,111,012.00	-	-	-	2,111,012.00	-	-	-	2,111,012.00	(2,111,012.00)
8 Live Stock.	26,340.00	-	-	-	26,340	-	-	-	26,340.00	(26,340.00)
9 Capital Work- In - Progress.	76,789.00	-	-	-	76,789	-	-	-	76,789.00	(76,789.00)
<b>TOTAL</b>	<b>28060206</b>				<b>28060207</b>				<b>28060206</b>	<b>28060206</b>
<b>PREVIOUS YEAR</b>	<b>(28060206)</b>				<b>(30686631)</b>					<b>28060206</b>



**HARI GOVIND INTERNATIONAL LIMITED**

FACTORY :- OPP. YCCE HIGNA ROAD, WANADONGRI, NAGPUR - 441 110  
CORRESPONDENCE ADDR. : 125, WARDHAMAN NAGAR, NAGPUR 440 008.

SCHEDULE TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2008  
AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2008

<u>SCHEDULE :- 4</u>	<u>31/03/2008</u>	<u>31/03/2007</u>
Investment in National Saving Certificate	8,000.00	8,000.00
Share Application fees.	1,230.00	1,230.00
<b>TOTAL RS.</b>	<b>9,230.00</b>	<b>9,230.00</b>

**SCHEDULE - 5:**

**CURRENT ASSETS LOANS & ADVANCES :**

**CURRENT ASSETS:**

**A) INVENTORIES**

(As taken, valued & certified by the management)

i) Finished Goods	-	-
ii) Goods in process.	-	-
iii) Wastage.	-	-
iii) Raw Material.	-	-
iv) Consumable Stores.	-	-
v) Packing Material.	-	-
<b>TOTAL RS.(A)</b>	<b>-</b>	<b>-</b>

**B) SUNDRY DEBTORS:**

Unsecured and considered goods)

1 Debts outstanding for a period exceeding six months	3,437,924.00	
2 Others Debts.	993,014.00	993,014.00
<b>TOTAL RS.(B)</b>	<b>4,430,938.00</b>	<b>993,014.00</b>

**C) CASH AND BANK BALANCES:**

a) Cash In Hand.	24,027.57	1,389.57
b) <b>Bank Balances</b>		
With Schedule bank Current Accounts	-	-
With Others Bank in Current Account	77,810.87	10,000.47
With Schedule Bank in Fixed Deposits Account(DGFT)	682,193.00	682,193.00
<b>TOTAL RS.(c)</b>	<b>784,031.44</b>	<b>693,583.04</b>

**TOTAL RS. (A+B+C)** **5,214,969.44** **1,686,597.04**

**SCHEDULE - 6 :**

**LOANS & ADVANCES**

(Advances Unsecured & Considered Goods)

i) Advances recoverable in cash or kind or for value to be received.	11,113,233.00	11,113,233.00
ii) Deposits with Government.	876,878.00	876,878.00
iii) Rent Deposit.	18,000.00	18,000.00
<b>TOTAL RS.</b>	<b>12,008,111.00</b>	<b>12,008,111.00</b>



**HARI GOVIND INTERNATIONAL LIMITED**  
 FACTORY :- OPP. YCCE HIGHNA ROAD, WANADONGRI, NAGPUR - 441 110  
 CORRESPONDENCE ADDR. : 125, WARDHAMAN NAGAR, NAGPUR 440 008.

SCHEDULE TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2008

SCHEDULE - 7 :	31/03/2008	31/03/2007
<b>CURRENT LIABILITIES &amp; PROVISIONS:</b>		
<b>A) CURRENT LIABILITIES</b>		
1) SUNDRY CREDITORS.	6,453,675.00	3,104,375.00
2) OTHER LIABILITIES & PROVISIONS.	811,914.00	811,914.00
3) Duties & taxes-Sales tax(Vat)	63.00	-
<b>TOTAL RS.</b>	<b>7,265,652.00</b>	<b>3,916,289.00</b>

SCHEDULE - 8 :		
<b>VARIATION IN STOCKS : Opening</b>		
a) <b>Stock as on 01/04/2007)</b>		
Finished Goods	-	-
Goods in Progress	-	-
Wastage	-	-
b) <b>Stock as on 31/03/2008)</b>	<b>Total Rs. (A)</b>	-
Finished Goods	-	-
Goods in Progress	-	-
Wastage	-	-
	<b>Total Rs. (B)</b>	-
c) <b>Net Variation in stock (B)-(A)</b>	-	-

SCHEDULE - 9 :		
<b>RAW MATERIAL CONSUMED:</b>		
a) <b>Stock Opening</b>	-	-
b) <b>Add Purchase During the Year.</b>	8,229,572.00	-
c) <b>Less Stock Closing</b>	-	-
<b>TOTAL RS.</b>	<b>8,229,572.00</b>	-

SCHEDULE - 10 :		
<b>SALARIES, WAGES &amp; OTHER ESTABLISHMENT EXPENSES:</b>		
Salaries, Wages & other Establishment Expenses.	120,000.00	-
Director Remuneration(managing Director)	-	-
Joint Managing Director	-	-
Executive Director.	-	-
<b>TOTAL RS.</b>	<b>120,000.00</b>	-

SCHEDULE - 11 :		
<b>MANUFACTURING, ADMINISTRATIVE, &amp; SELLING EXPENSES:</b>		
<b>a) MANUFACTURING EXPENSES :</b>		
Excise Duty	-	-
Coolie & Carting	-	-
Cartage inwards	-	-
Power Fuel & Water	-	-
Finishing charges	-	-
Packing & Forwarding	-	-
Consumption of Stores.	-	-
Factory Expenses	-	-
Repairs to Plant & Machinery	-	-
Repairs to others	-	-
<b>TOTAL-A</b>	-	-

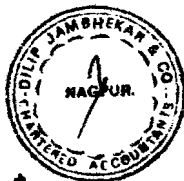


**HARI GOVIND INTERNATIONAL LIMITED**

FACTORY :- OPP. YCCE, HIGNA ROAD, WANADONGRI, NAGPUR - 441 110  
CORRESPONDENCE ADDR. :- 125, WARDHAMAN NAGAR, NAGPUR 440 008.

SCHEDULE TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2008  
AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2008

<u>b) ADMINISTRATIVE &amp; OTHER EXPENSES:</u>	<u>31/03/2008</u>	<u>31/03/2007</u>
Travelling & Conveyance	-	-
Books & Periodicals	-	-
Advertisement Expenses.	3,630.00	-
Legal Expenses	6,500.00	-
Rent, rate & Taxes	-	-
Postage & telephones	-	-
Printing & Stationery	-	-
Insurance	-	-
Motor car and Auto Expenses	-	-
Office Expenses	-	-
Staff Welfare.	-	-
Annual Maintenance Contract.	-	-
Factory Valuation Expenses.	-	-
Entertainment Expenses	-	-
Corporation Tax	-	-
Mining development Expenses Written Off	-	-
Preliminary Expenses Written off	-	-
Bad Debts	-	-
Miscellaneous Expenses	175,299.00	184,019.00
Leave Encashment Expenses	-	-
Income Tax Paid	-	-
Current assets Written Off. As Not Recoverable	-	-
<b>Payment To Auditors:</b>		
As Auditor	10,000.00	10,000.00
In other Manners	5,000.00	5,000.00
<b>TOTAL - B</b>	<u>200,429.00</u>	<u>199,019.00</u>
<b>SELLING EXPENSES:</b>		
Discount	5,567.67	-
Commission on Sales	-	-
Sales Promotion	-	-
Sales Tax Paid	-	-
Travelling Expenses for Sales'	-	-
<b>TOTAL - C</b>	<u>5,567.67</u>	<u>-</u>
<b>TOTAL (A+B+C)</b>	<u>205,996.67</u>	<u>199,019.00</u>
<b>FINANCIAL CHARGES:</b>		
<b>(a) Interest and other Charges.</b>		
Term Loan Account	-	-
Hire Purchase Charges	-	-
To Others	-	-
<b>(b) Bank Charges.</b>	1,123.60	-
<b>TOTAL RS.</b>	<u>1,123.60</u>	<u>-</u>



1. SIGNIFICANT ACCOUNTING POLICIES :

1. The accounts are prepared on accrual basis.
2. Fixed assets are taken at acquisition except the assets which were revalued during the financial year 1993-94.
3. Depreciation on fixed assets was not provided during the financial year as the company ceases to operate and there was no use of fixed assets during the said financial years.
4. The question of valuation of inventories does not arise as the company ceases to operate in the year 1999-2000 and subsequently the cost of inventories was written off in the financial year 2000-2001.
5. Miscellaneous Expenditure is not amortised during the year.
6. Mining Development expenditure is not amortised during the year.
7. The Company follows the practice of accounting Gratuity when the liability becomes due for payment. No Gratuity has become due for payment during the year under Audit.

2. CONTINGENT LIABILITIES :

1. Claims against the company not acknowledged as debts Rs. NIL (2006 - NIL).
2. Bank Guarantees Issued in favour Customs Department Bombay Rs. 8,76,036/- (2007/- Rs. 8,76,036/-).
3. Estimated amounts of contracts remaining to be executed on capital accounts and not provided for as on 31<sup>st</sup> March, 2008 - NIL (31-03-2007 - NIL)

-1-2-



4. Sales Tax authorities for the years 1989-90 and 1990-91 have raised a demand of Rs. 4,05,306/- and Rs. 4,58,427/- respectively under the Central Sales Tax Act and Rs. 1,38,445/- and Rs. 20,95,556/- under the Bombay Sales Tax Act. However no provisions has been made in respect

of the above figures in the books of account of the company. The company has preferred appeals against the said assessments. The matter of previous years is under dispute the management has not provided any Sales Tax liability during the financial year 2006-07.

5. Income Tax assessments for the assessment years 92-93 and 93-94 were completed and the Income Tax Department has raised a demand of Rs. 4,49,528/- and Rs. 36,41,000/- respectively. However no provisions have been made in respect of the above liabilities in the books of accounts of the company as the company has preferred appeals against the above assessments.
6. (a) Previous years figures are regrouped and or recast wherever necessary.  
(b) Figures in brackets are in respect of the previous year.  
(c) Figures are rounded up to the nearest rupee.
7. The company had revalued Land Building and Plant and Machinery with effect from 1<sup>st</sup> September, 1993 at net current replacement cost on the basis of valuation made by Mr. Anantabh Bekkar and Mr. V.N. Talihaya both Chartered Engineers and approved valuers. The resultant increase in book value of Rs. 1,81,07,672/- had been credited to revaluation Reserve.

8. **MANAGERIAL REMUNERATION :**

Managerial remuneration under section 198 of the Companies Act, 1956 has been provided (on minimum basis) for the year ended 31<sup>st</sup> March, 2006 to the Managing Director and Whole Time Directors.

1. Salary :	(a) Managing Director	-	Rs. NIL (Rs. NIL)
	(b) Whole Time Director	-	Rs. NIL (Rs. NIL)
2. Money Value of other perquisites or benefits (as no perquisite are actually given).		-	NIL NIL

-3-






9. Provision for Income Tax for the current financial year has not been made in the Books of Accounts as the company does not expect tax liability to arise during the current financial year (Previous year Rs. NIL).
10. During the year the company has received interest on Deposits amounting to Rs. NIL - (Previous Year Rs. NIL) and the Income Tax deducted thereon at source is Rs. NIL. (Previous Year Rs. NIL).
11. During the year the company has not proposed any dividend on its equity capital (Previous Year NIL).
12. Additional information pursuant to the provisions of paragraph 3, 4, 4A, 4B, 4C and 4D of part 2 of Schedule VI to the Companies Act, 1956 is not applicable in the current year as the commercial production of the company has closed during the financial year 1999-2000.
13. Signatures to Schedule 1 to 13 forms an integral part of accounts.

As per attached report of even date.

For and on behalf of the Board.

For DILIP JAMBHEKAR & COMPANY,  
CHARTERED ACCOUNTANTS.

  
(VINAY P. SAPRE)  
PARTNER

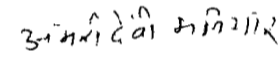


PLACE : NAGPUR.

DATE : 26<sup>th</sup> August, 2000.

  
DIRECTOR

  
DIRECTOR

  
DIRECTOR

PLACE : NAGPUR.

DATE : 26<sup>th</sup> August, 2000.