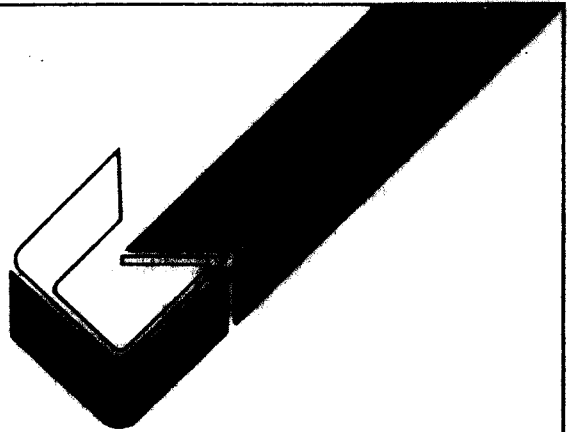


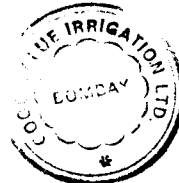
**GOOD  
VALUE** IRRIGATION LTD.



**ELEVENTH  
ANNUAL  
REPORT  
2004**

*Certified True Copy.*

*For GOOD VALUE IRRIGATION LTD.*



*2004*

# GOOD VALUE IRRIGATION LIMITED

## ELEVENTH ANNUAL REPORT 2004

### Board of Directors

Shri. Dilip S. Dahamukar – Chairman  
Shri Vishwajit B. Dahamukar  
Shri C. P. Rele

### Registered Office:

311, Merchant Chambers  
Hill Road,  
Bandra (W)  
Mumbai – 400 050.

### Auditors

M/S. Niteen D. Khirasagar  
Chartered Accountants  
304, F-1, Jambo Darshan Co. op. Hsg Soc.  
Andheri (East), Mumbai – 400 069.

### Bankers

1. UCO Bank
2. Citibank, N.A.

### Legal Advisors

Dhruve Liladhar & Co.  
Solicitors and Advocates,  
31- A/B, Ismail Building,  
381, D.N. Road, Fort, Mumbai – 400 001.

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## ***ELEVENTH ANNUAL REPORT 2004***

### **NOTICE**

NOTICE is hereby given that the **ELEVENTH ANNUAL GENERAL MEETING** of the members of **GOOD VALUE IRRIGATION LTD.** will be held at Sunville Deluxe Pavilion, 9, Dr. Annie Besant Road, Worli, Mumbai-400 018. on Friday, 20<sup>th</sup> January, 2006 at 11.00 A M to transact the following business:

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Annual Accounts as on and for the year ended on 31st December 2004 and Report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. C.P. Rele, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint the Auditors to hold office from the conclusion of this meeting until the next Annual General Meeting and fix their remuneration.

**By order of the Board  
For Good Value Irrigation Limited**

Dilip S. Dahanukar  
Chairman

Registered Office :  
311, Merchant Chambers,  
Hill Road, Bandra (West),  
Mumbai - 400 050.

Place: Mumbai  
Date : 5/12 /2005

### **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 such proxy need not be a member of the Company. The proxy form must be deposited with the Registered office of the Company not later than 48 hours before the time of the meeting.
- 2) The Register of the Members and Share Transfer Books of the Company will remain closed from 11.01.2006 to 20.01.2006 (both days inclusive)
- 3) The Shareholders are requested to bring the Annual Report along with them, as extra copy will not be supplied at the Meeting as per usual practice.

# GOOD VALUE IRRIGATION LIMITED

## DIRECTORS' REPORT

TO,  
THE SHAREHOLDERS

Your Directors hereby present the **Eleventh Annual Report** on the business of the Company, together with the Audited Statements of Accounts for the financial year ended on **31st December 2004**.

### 1. FINANCIAL HIGHLIGHTS:

	CURRENT YEAR (01/01/2003 TO 31/12/2004) Rupees	PREVIOUS YEAR (01/01/2002 TO 31/12/2003) Rupees
INCOME	3388009	4508379
GROSS PROFIT/(LOSS) BEFORE DEPRECIATION	(993033)	(34165719)
DEPRECIATION	-----	-----
GROSS PROFIT/(LOSS) AFTER DEPRECIATION	(993033)	(34165719)
PROVISION FOR TAXATION	-----	-----
NET PROFIT/(LOSS) AFTER TAX	(993033)	(34165719)

### 1. CURRENT YEARS' & FUTURE REVIEW:

The Company's business process outsourcing (BPO) Center has made sales of Rs.3388009/- during the year. The Company has however made a loss of Rs. 993033/- This loss includes an operational loss of Rs. 993033/-.

### 2. DIVIDEND :

No Dividend is recommended by the Board of Directors for the year 2003-2004.

### 3. ENVIRONMENT :

There is no effect on the environment from the operations of the Company.

### 4. STAFF AND LABOUR:

There are no employees of the Company drawing Rs. 25000/- or more per month at any time during the year.

### 5. DIRECTORS:

Shri C P Rele is retiring by rotation and offers himself for re-appointment.

### 6. DIRECTORS' RESPONSIBILITY STATEMENT:

Statement under sub-section (2AA) of section 217 of the Companies Act, 1956:

## ***ELEVENTH ANNUAL REPORT 2004***

In the preparation of the Annual Accounts:

- i) The applicable accounting standards have been followed and wherever required, proper explanations relating to the material departures have been given.
- ii) 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 the Company at the end of the financial year and of the profit or loss of the Company for the period.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The accounts have been prepared on a going concern basis.

### **7. PUBLIC DEPOSITS:**

The Company has not invited nor renewed any Public Deposits.

### **8. AUDITORS :**

The Auditors are to be appointed from the date of this Annual General Meeting till the conclusion of the next Annual General Meeting and their remuneration is to be fixed. The retiring Auditors M/S Niteen D. Kshirasagar & Co., CHARTERED ACCOUNTANTS, Mumbai are eligible for re-appointment.

### **9. CONSERVATION OF ENERGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The energy consumed in the production process is Negligible and does not offer scope for any significant conservation of energy.

#### **TOTAL FOREIGN EXCHANGE USED AND EARNED:**

Foreign Exchange used	:	NIL
Foreign Exchange earned	:	Rs. 3368500/-

### **10. RESEARCH AND DEVELOPMENT:**

No research has been conducted this year.

### **11. MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments during the year.

**FOR AND ON BEHALF OF THE BOARD**

Place: Mumbai  
Date: 5/12/2005

**DILIP. S. DAHANUKAR**  
(Chairman)

# GOOD VALUE IRRIGATION LIMITED

## CORPORATE GOVERNANCE REPORT

The Board of Directors supports the broad principles of Corporate Governance and lays strong emphasis on transparency accountability and integrity. The report on Corporate Governance is as follows: -

Name of Directors	Executive/ Non-Executive/ Independent	No of other Directorships In Public Ltd Companies	No of other Board Committees of which member/ Chairman
Dilip S Dahanukar	Non-Executive	2	Nil
Vishwajit B. Dahanukar	Non-Executive	1	Nil
C P Rele	Independent	-	Nil

### **Board Meeting:-**

The Company places before the Board all the relevant and necessary information at their meetings such as quarterly finance results, share transfer, demat compliance, shareholders grievance committee, any legal proceedings by or against the Company and such other information.

During the period from 01/01/2004 to 31/12/2004 Four Board Meetings were held on 15/01/2004, 20/04/2004, 15/07/2004, and 18/10/2004. The attendance of directors at these Board meetings and the previous Annual General Meetings was as follows: -

Name of Directors	No of Board meetings attended During the period from 01/01/2004 to 31/12/2004	Whether present at the Previous AGM
Dilip S Dahanukar	4	Yes
Vishwajit B. Dahanukar	4	Yes
C P Rele	4	Yes

### **Audit Committee: -**

The Audit Committee was formed on 18/01/2002. The Terms of reference of audit committee is to look after close monitoring of the Companies operations. The committee consists of following Directors: -

Dilip S Dahanukar	Chairman
Vishwajit B. Dahanukar	Director
C P Rele	Director

### **Meetings and the attendance during the year: -**

Four meetings of Audit Committee were held.

Name of Members		Audit Committee Meetings	
		Held	Attended
Dilip S Dahanukar	Chairman	4	4
Vishwajit B. Dahanukar	Director	4	4
C P Rele	Director	4	4

## **ELEVENTH ANNUAL REPORT 2004**

### **Shareholder's Committee: -**

1. Pursuant to the Clause 49 of the Listing Agreement with the Stock Exchange, the Company is required to have an Investors' Grievance Committee. Hence the Share transfer committee of the Company has been acting as Investors' Grievance Committee.
2. **The Shareholder's Committee shall have the following role, functions and powers: -**  
To consider and approve transfer of shares, transmission of shares, dematerialization of shares, transposition of shares, issuance of duplicate share certificates, deletion of names, splitting and consolidation of shares etc.
3. **The committee consists of the following Directors:**
  1. Dilip S Dahanukar Chairman
  2. Vishwajit B. Dahanukar Director
  3. C P Rele Director
4. **Name and designation of the Compliance Officer: -**  
Hemant Vichare Secretarial Officer

### **Information on General Body Meetings: -**

The last three Annual General Meetings were held as under: -

Date	Time	Venue
16/04/2002	11.30a.m.	Sun Ville Deluxe Pavilion, 9, Dr. A. B. Road, Worli, Mumbai -18
26/06/2003	10.00a.m.	As Above
04/10/2004	10.30a.m.	As Above

### **General Shareholder information:**

#### **I Annual General Meeting: -**

Date: 20.01.2006

Time: 11.00a.m.

Venue: Sun Ville Deluxe Pavilion, 9,  
Dr. A. B. Road, Worli, Mumbai -18

#### **II Financial Calendar: -**

Financial year of the Company is for a period of 12 months commencing from 1<sup>st</sup> January to 31<sup>st</sup> December.

#### **III Book Closures: -**

11<sup>th</sup> January 2006 to 20<sup>th</sup> January 2006, both days inclusive.

**For GOOD VALUE IRRIGATION LTD.**

**Chairman**

**Dated: 5/12/2005**

# **GOOD VALUE IRRIGATION LIMITED**

## **AUDITORS REPORT**

### **TO THE MEMBERS,**

We have audited the attached Balance Sheet of **Good Value Irrigation Limited** as at 31<sup>st</sup> December, 2004 and also the Profit and Loss Account for the year ended on that date and annexed there to. 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.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors 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 hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Subject to provision of depreciation as per Note No.1 (b) (i) and non ascertainment of impairment of loss as per Note No.1 (b) (ii).
4. Further to our comments in the Annexure referred to in paragraphs 2 & 3 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 account as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - d) In our opinion, The Balance Sheet and Profit and Loss Account dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3-C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the Directors and from the public companies in which these directors are directors which are taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> December 2004 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us the said accounts read together with the significant Accounting Policies and other notes thereon 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;
    - i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> December, 2004,
    - ii) In so far as it relates to Profit and Loss Account, of the loss of the Company for the year ended on that date.
    - iii) In case of Cash flow statement of cash flows of the company for the year ended on that date.

For and on behalf of  
M/s. Niteen D. Kshirasagar & Co.

Place : Mumbai  
Dated : 26.09.2005

Chartered Accountants



## ***ELEVENTH ANNUAL REPORT 2004***

### Annexure to the Auditor's Report.

(Referred to in paragraph 2 of our report of even date)

1. a) The Company has maintained the records of fixed assets showing full particulars, including quantitative details and situation of the fixed assets however it is required to be updated.  
b) The management during the year has not physically verified the fixed assets.  
c) The Company has not sold any Fixed Assets during the year.
2. a) Since there is no any inventory the question of physical verification during the year by the management does not arise.  
b) The procedures of physical verification of inventories : Not applicable.
3. a) According to information and explanations given to us the Company has taken interest free unsecured loan from the parties listed in the Register maintained under section 301 of the Act. The balance as on 31.12.2004 was Rs.30.55 lacs. There are no other terms and conditions attached to this loan.  
b) During the year, the Company has not granted any loan to any party listed in the register maintained under section 301 of the Companies Act, 1956, however an amount of Rs.6.58 lacs is due from a Company listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, no major weakness has been noticed in these internal controls.
5. (a) According to the information and explanations given to us , we are of the opinion that there are no transaction that need to be entered in to the register maintained u/s 301 of the Companies Act, 1956 and exceeding the value of Rs.5,00,000/- or more with each party in respect of purchases of goods and material, sale of goods and material pursuant to the Contract under Section 301 of the Companies Act, 1956.
6. The Company has not accepted fixed deposits from the public and consequently the directives issued by Reserve Bank of India, the provisions of section 58 A and 58 AA of the Companies Act, 1956 are not applicable.
7. In our opinion the company has to strengthen its Internal Audit system so as to commensurate with the size and nature of business.
8. As per information given by the Company, the Central Government has not prescribed to maintain any cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.
9. a) As informed by the Company the laws related to Employees State Insurance and Provident Fund are not applicable to the Company. In respect of other undisputed statutory dues there were no undisputed arrears of statutory dues outstanding as at 31<sup>st</sup> December, 2004 for a period of mote than six months from the date they became payable.  
b) According to the information and explanations given to us by the Company there were no disputed dues in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax and Excise Duty and Cess, which have not been deposited as on 31<sup>st</sup> December, 2004.
10. As at 31st December 2004 the Company's accumulated losses are not more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us the Company has not taken any loan from financial institutions or banks hence default in repayment of its dues not applicable.

## **GOOD VALUE IRRIGATION LIMITED**

12. In opinion and according to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Clause (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company since it is not a chit fund or nidhi/mutual benefit fund/society.
14. The Company is not dealing in or trading in shares, securities, debentures and other investments.
15. In our opinion and according to information and explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
16. According to information and explanations given to us, the Company has not applied for term loan for any purpose during the year.
17. Based on the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, the Company has not raised funds on short term basis and funds on long term basis have not been used for short term investment, and vice-versa.
18. During the year the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and information and explanations given to us and on examination of books of account, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For and on behalf of  
M/s. Niteen D. Kshirasagar & Co.

Place : Mumbai  
Dated : 26.09.2005

Chartered Accountants

**ELEVENTH ANNUAL REPORT 2004**

**GOOD VALUE IRRIGATION LTD.  
BALANCE SHEET AS AT 31ST DECEMBER, 2004.**

	SCHEDULES	AS AT 31.12.2004 Rupees	AS AT 31.12.2003 Rupees
<b>I SOURCE OF FUNDS :</b>			
1. SHARE HOLDERS FUNDS	A		
Equity Capital		173,663,039	173,663,039
2. RESERVE AND SURPLUS	B	1,268,939	1,268,939
3. LOAN FUNDS			
Unsecured Loans	C	5,620,574	5,831,809
<b>TOTAL</b>		<b>180,552,552</b>	<b>180,763,787</b>
<b>II APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>			
a) Gross Block	D	44,688,365	44,688,365
b) Less : Depreciation	D	309,542	309,542
c) Capital Work In Progress (Including advances paid)		209,190	209,190
Net Block		<b>44,588,013</b>	<b>44,588,013</b>
<b>2. INVESTMENT</b>			
<b>3. CURRENT ASSETS, LOANS &amp; ADVANCES</b>	E 1	100	100
<b>(a) CURRENT ASSETS</b>			
1) Cash and Bank Balances		233,670	236,837
2) Inventories		0	0
3) Other Current Assets		1,003,921	984,412
4) Stock in Trade - Shares		48,992,700	48,992,700
<b>(b) LOANS &amp; ADVANCES</b>			
		1,444,081	1,066,293
Less :		51,674,372	51,280,243
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
a) Liabilities	F	2,327,251	1,930,618
b) Provisions		0	0
		2,327,251	1,930,618
<b>NET CURRENT ASSETS</b>			
		49,347,121	49,349,624
<b>4. MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted.)	G	1,509,176	1,796,196
<b>5. DEFERRED REVENUE EXPENDITURE</b> (To the extent not written off or adjusted.)		1,852,358	2,774,317
<b>6. PROFIT AND LOSS ACCOUNT</b> Transferred from Profit and Loss Account		(83,255,785)	(82,255,537)
<b>TOTAL</b>		<b>180,552,552</b>	<b>180,763,787</b>

NOTES ON ACCOUNTS  
As per our report of even date annexed  
For M/s. Niteen D. Kshirasagar & Co.  
Chartered Accountants

N.D.Kshirasagar  
Proprietor

Place : Mumbai  
Dated : 26.09.2005

L DIRECTORS  
Shri. D. S. Dahanukar  
Shri. V. B. Dahanukar  
Shri. C. P. Rele

# **GOOD VALUE IRRIGATION LIMITED**

## **GOOD VALUE IRRIGATION LTD. PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2004.**

	SCHEDULE	AS AT 31.12.2004 Rupees	AS AT 31.12.2003 Rupees
<b>INCOME</b>			
	H		
1. Export Sale		3,388,009	4,508,379
2. Miscellaneous Income		15	15
	<b>TOTAL</b>	<b>3,388,024</b>	<b>4,508,394</b>
<b>EXPENDITURE</b>			
	I		
1. Material Cost		0	0
2. Wages, Salary and Employee's Other Benefits		708,473	2,610,747
3. Other Expenses	J	2,462,664	2,799,646
4. Bank charges and Commission	K	8,156	23,714
5. Depreciation	D	0	0
6. Miscellaneous Expenditure written off	G	287,020	287,020
7. Deferred Revenue Expenditure written off		924,744	924,744
	<b>TOTAL</b>	<b>4,391,057</b>	<b>6,645,871</b>
Profit / (Loss) Before Tax		(1,003,033)	(2,137,477)
Less: Provision For Taxation		0	0
Add : Previous year's expenses		0	112,972
Loss on sale of assets		0	2,935,004
Office Building (Construction) written off		0	28,980,266
<b>LOSS FOR THE YEAR</b>		<b>(1,003,033)</b>	<b>(34,165,719)</b>
Add: Loss Brought Forward		(82,252,751)	(48,089,818)
<b>DEFICIT CARRIED TO THE BALANCE SHEET</b>		<b>(83,255,785)</b>	<b>(82,255,537)</b>

**NOTES ON ACCOUNTS**

As per our report of even date annexed  
For M/s. Niteen D. Kshirasagar & Co.  
Chartered Accountants

N.D.Kshirasagar  
Proprietor

Place : Mumbai  
Dated : 26.09.2005

**L**

**DIRECTORS**

Shri. D. S. Dahanukar

Shri. V. B. Dahanukar

Shri. C. P. Rele

# ELEVENTH ANNUAL REPORT 2004

## GOOD VALUE IRRIGATION LTD.

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT  
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.12.2004

	AS AT 31.12.2004 Rupees	AS AT 31.12.2003 Rupees
<b>SCHEDULE A: SHARE CAPITAL</b>		
AUTHORISED 1,80,00,000 Equity Shares of Rs. 10/- each.	180,000,000	180,000,000
TOTAL	<u>180,000,000</u>	<u>180,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP 1,78,01,500 Equity Shares of Rs. 10/- each.	178,015,000	178,015,000
Less :		
Calls Unpaid (By Others)	4,351,961	4,351,961
TOTAL	<u>173,663,039</u>	<u>173,663,039</u>
<b>SCHEDULE B : RESERVES &amp; SURPLUS</b>		
Share premium	228,335	228,335
Capital Reserve - Op. Balance	1,040,604	1,040,604
TOTAL	<u>1,268,939</u>	<u>1,268,939</u>
<b>SCHEDULE C: LOAN FUNDS</b>		
A) Unsecured Loans (Interest free)		
From Directors	3,055,283	2,709,687
Intercorporate Loan (interest free)	2,565,291	3,122,122
TOTAL	<u>5,620,574</u>	<u>5,831,809</u>

**GOOD VALUE IRRIGATION LTD.**

**SCHEDULE : D FIXED ASSETS**

GROUP /ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	NET BLOCK
	AS AT	ADDITION	DEDUCTION	AS AT	AS AT	AS AT	AS AT	AS AT
	01.01.2004	DURING THE YEAR	DURING THE YEAR	31.12.2004	01.01.2004	DURING THE YEAR	31.12.2004	31.12.2003
TECH KNOW-HOW	9,358,839	0	0	9,358,839	0	0	9,358,839	9,358,839
LAND	2,797,702	0	0	2,797,702	0	0	2,797,702	2,797,702
FACTORY BUILDING	15,988,741	0	0	15,988,741	0	0	15,988,741	15,988,741
RESIDENTIAL BUILDING	3,464,229	0	0	3,464,229	2,100	0	3,462,129	3,462,129
FURNITURE AND FIXTUTRES	1,870,975	0	0	1,870,975	9,721	0	1,861,254	1,861,254
OFFIC EQUIPMENTS	1,229,075	0	0	1,229,075	69,278	0	1,159,797	1,159,797
DATA PROCESSING MACHINES	291,922	0	0	291,922	22,472	0	269,450	269,450
PLANT AND MACHINERY	9,686,882	0	0	9,686,882	205,971	0	9,480,911	9,480,911
<b>TOTAL</b>	<b>44,688,365</b>	<b>0</b>	<b>0</b>	<b>44,688,365</b>	<b>309,542</b>	<b>0</b>	<b>44,378,823</b>	<b>44,378,823</b>
<b>PERVIOUS YEAR</b>	<b>76,750,698</b>	<b>177,557</b>	<b>32,239,890</b>	<b>44,688,365</b>	<b>309,542</b>	<b>0</b>	<b>44,378,823</b>	

## ELEVENTH ANNUAL REPORT 2004

### SCHEDULE E : INVESTMENT AT COST (UNQUOTED)

10 Equity shares of Rs.10/- each of Kapol Co. Op. Bank Ltd. fully paid up.	100	100
	100	100

### SCHEDULE E 1 : CURRENT ASSETS, LOANS AND ADVANCES

#### A) CURRENT ASSETS:

##### 1) Cash and Bank Balances :

Cash on hand (as certified by the Management)	204,813	196,460
Cash in Current Accounts with:		
Scheduled Banks	25,566	25,113
Other Banks:		
Citibank N.A.	2,187	14,160
(Max. bal Rs.517624/- Pr.year Rs.306158/-)		
Kapol Co.op. Bank Ltd.	1,104	1,104
(Max. bal Rs.1104/- Pr.year Rs.1104/-)		
	233,670	236,837

##### 2) Inventories (As Certified by the Management)

Raw Material (At Cost)	0	0
	0	0

##### 3) Other Current Assets : Sundry Debtors

(Unsecured, Considered Good) less than six months	191,892	172,383
Income tax deducted at source	812,029	812,029
	1,003,921	984,412

##### 4) Stock in Trade - Shares

Total (1 to 4)	48,992,700	48,992,700
A	50,230,291	50,213,950

#### B) ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED :

Advances to Others (Unsecured, Considered Good) (See Note No.8 in Schedule M)	1,228,906	851,118
Deposits with Others (Deposited N.S.C.) *	13,000	13,000
Deposit for Office & other	202,175	202,175
	1,444,081	1,066,293
B		

TOTAL (A + B)	51,674,372	51,280,243
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\* Interest will be accrued whenever the N.S.C. matures.

### SCHEDULE : F

#### CURRENT LIABILITIES & PROVISIONS

##### A. CURRENT LIABILITIES

Sundry Creditors for goods/expenses	2,297,206	1,874,678
Government dues	30,045	55,940
	2,327,251	1,930,618

##### B. PROVISIONS

Provision For Taxation	0	0
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TOTAL	0	0
	2,327,251	1,930,618

# GOOD VALUE IRRIGATION LIMITED

**SCHEDULE : G  
MISCELLANEOUS EXPENDITURE  
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)**

Preliminary Expenses - Op. balance	166659	249,987
Less : Written off	<u>83328</u>	<u>83,328</u>
	83,331	166,659
Share Issue Expenses	1629538	1,833,230
Less : Written off	<u>203692</u>	<u>203,692</u>
	1,425,845	1,629,537
TOTAL	<u><u>1,509,176</u></u>	<u><u>1,796,196</u></u>

**SCHEDULE H : SALES & MISCELLANEOUS INCOME**

a) Export Sales	3,388,009	4,508,379
b) Dividend	15	15
TOTAL	<u><u>3,388,024</u></u>	<u><u>4,508,394</u></u>

**SCHEDULE : I  
MATERIAL COST**

Cost of Raw Material	<u>0</u>	<u>0</u>
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**SCHEDULE : J  
OTHER EXPENSES**

Rent, Rates and Taxes	82,548	337,970
Postage, Telegram and Telephone	92,985	108,295
Printing and Stationery	2,289	39,978
Travelling Expenses - Local	1,087	4,304
Transportation Charges for Staff	28,000	431,784
Medical Transcription Service Charges	1,947,519	865,904
Electricity Charges	115,346	235,409
Repairs and Maintenance :		
Others	20,772	19,860
Professional fees	67,000	50,000
Auditors Remuneration :		
As Audit fees	15,000	15,000
As Out Of Pocket Expenses	2,500	2,500
Tax Audit fees	10,000	0
Conveyance	7,776	84,474
Legal Fees	0	37,500
Vehicle Running Expenses	12,700	23,550
General Charges	11,867	60,416
Water Charges	0	8,300
Software Charges	0	19,500
Subscription books & periodicals	680	3,991
Internet Expenses	44,597	136,822
Advertising and Publicity	0	9,140
Freight	0	4,000
Lease Rent - Computers	0	252,000
Business promotion Expenses	0	48,949
TOTAL	<u><u>2,462,664</u></u>	<u><u>2,799,645</u></u>

**SCHEDULE K : INTEREST**

Bank charges and Commission	8,156	23,714
TOTAL	<u><u>8,156</u></u>	<u><u>23,714</u></u>



# ***ELEVENTH ANNUAL REPORT 2004***

## **GOOD VALUE IRRIGATION LTD.**

### **SCHEDULE L : NOTES ON ACCOUNTS**

#### **1. Accounting Policies :**

i) All expenses and income to the extent considered payable and receivable are accounted for on mercantile basis, except for interest on N.S.C.

#### **ii) Fixed Assets and Depreciation :**

a) Technical Know How is stated at acquisition cost. All other assets are stated at acquisition cost with apportioning pre production and project expenditure on the basis of their cost. The accumulated depreciation has been deducted there from.

b) i) Depreciation on the fixed assets except land and technical know how was calculated on straight line method at the rate specified in the Schedule XIV of the Companies Act 1956 on pro-rata basis. During the year the Company has opted not to provide any depreciation on the fixed assets. The amount of depreciation works out to Rs.12,97,859/-. Had it been charged to the Profit & Loss Account the loss would have been increased by that amount and fixed assets would have been reduced by that amount.

ii) As required by Clause AS 28 – Since the assets are not in use the impairment of loss is not ascertained by the Company.

c) The Capital work in progress is stated at cost including any advances given to the parties for the procurement of the assets.

d) The Company had spent Rs.46,23,720/- towards expenditures on :

i) Training of Employees ii) License fees to STPI iii) Rent of the premises of the division iv) Professional fees etc. which have been capitalized as Deferred Revenue Expenditure under Application of Funds in the year 2002. This amount will be amortized in the five years from the incurring of such expenditure.

e) Preliminary expenses are amortized in ten years from the incurring of such expenditure.

iii) Investments : Investments are stated at acquisition cost. However the Company has decided to classify all its Investments as Stock in Trade – Shares to be treated as Current Assets. Hence the entire Investment of Rs. 4,89,92,700/- has been transferred to current assets under the head of “Stock in Trade – Shares”.

iv) Inventories : The practice followed by the Company for the valuation is as under:

a) Raw Material – At cost.

v) Retirement benefits : We are informed that the schemes for the retirement benefits, such as gratuity and super annuation are not applicable to the Company.

vi) Revenue Recognition – The Company prepares its sales bills for the services rendered for Medical Transcription at export oriented unit as per the terms and conditions. These sales bills are prepared in US Dollar (\$) and are sent to the Customer for payment. These are converted into Rupees at the rate of payment received from the party. The loss or gain due to the difference in foreign exchange rate will be accounted whenever it is occurred.

2. a) The Company is operating an Export Oriented Unit in Mumbai. The Company has maintained separate books of account for this division. The Company has entered into an agreement with a foreign company based in U.S.A. to give the services of medical transcription on the terms and conditions agreed upon. The Company has engaged another Company at Pune to increase the capacity and has entered into a contract with the party for doing Medical Transcription Services. This expenditure has been shown as Medical Transcription Service Charges. The foreign exchange earned is due to this operation.

## GOOD VALUE IRRIGATION LIMITED

- b) The expenditure under 'Medical Transcription Service Charges' account is subject to the fluctuation in the foreign exchange rate to be charged on the bills submitted by the party in Pune as per agreement.
3. No provision for income tax has been provided since Company has suffered loss during the year.
  4. The balance of sundry creditors, debtors, loans and advances and certain bank balances are subject to confirmation and are shown as per the balances as appearing in the books of account. However the Company has sent confirmation letters to majority parties to confirm the balances and their responses are awaited. Directors are of the opinion that the amount due from the Sundry advances will be either received or expenses will be incurred, and hence no provision for doubtful debts has been done.
  5. Estimated amount of contracts (net of advance) remaining to be executed on capital account and not provided for amount of Rs. 6,50,000/- (P.Y. Rs.6,50,000/-)
  6. As informed by the Company, there are no Small Scale and/or Ancillary Industrial Suppliers as defined under the Small Scale and Ancillary Industrial Undertaking Act. 1933 and Section 3(1) of the Industrial (Development Regulation) Act, 1951.
  7. The figure of Loans and Advances includes Rs. 6.58 lacs (p.y. Rs. 7.22 lacs) due from the Company in which Director is interested.
  8. Segment Reporting : Business Segment – Service rendering of Medical Transcription.
  9. Related parties transaction : As per Accounting Standard – 18

Name of Related parties	Relationship	Outstanding Balance as on 31.12.04 Rs. in lacs
1. D.S.Dahanukar	Key Management Personnel (Director)	11.70 Cr.
2. V.B.Dahanukar	---- as above ----	19.02 Cr
3. Good Value Marketing Co. Ltd.	Associate Co.	6.58 Dr.

10. Earning per Share (EPS) is computed in accordance with AS 20 : "Earning Per Share"

Particulars	Current year Rs.	Previous year Rs.
Profit / (Loss) after tax as per Account	(1003033)	(34165719)
Number of Shares Issued	17801500	17801500
Basic EPS	(0.06)	(0.20)

11. Accounting Standard 22 – AS 22 Clarifies that " The Deferred Tax Assets should be recognized whenever there is some positive evidence that in future some taxable income would arrive". As informed by the Directors that there is no evidence of any taxable income will arise in future, there is no deferred tax liability/asset.
12. Bonus if paid to the employees will be accounted on cash basis.
13. Additional information pursuant to the provisions of Part II of Schedule VI of the Companies Act, 1956, to the extent applicable (as certified by the management)

- A) Capacity and Production - NIL
- B) Major Raw Material - NIL

Note : The quantitative information in respect of E.O.U. is not applicable as it is service rendering unit.  
C) The Licenses Capacity is not applicable.

## **ELEVENTH ANNUAL REPORT 2004**

D) Expenditure in Foreign Currency		
Overseas Travelling	Current year	Previous year
E) C.I.F. Value of imports	NIL	NIL
F) Earning in Foreign Exchange	NIL	NIL
G) F.O.B. Value of Exports	33.69 lacs	42.71 lacs
(of services rendered)	33.88 lacs	45.08 lacs
H) Value of Imported and indigenous Raw materials and components consumed :	NIL	

14. Previous year's figures have been regrouped and reclassified wherever necessary to confirm the current year's grouping and classification.

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### Signatures to Schedule A to M

As per our report of even date annexed  
For and on behalf of  
M/s. Niteen D. Kshirasagar & Co.  
Chartered Accountants

(N.D.Kshirasagar)  
Proprietor

Place : Mumbai  
Dated : 26.09.2005

Directors

Shri. D. S. Dahanukar

Shri. V. B. Dahanukar

Shri. C. P. Rele

# **GOOD VALUE IRRIGATION LIMITED**

## GOOD VALUE IRRIGATION LIMITED BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details :

Registration No.	11-74167	State Code	1 1
Balance Sheet Date	31.12.2004	Date of Incorporation	28.09.1993

2. Capital Raised during the Year ( Rs. in Lakhs)

Public Issue	NIL	Right Issue/Warrants	NIL
Bonus Issue	NIL	Private Placement	NIL

3. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Total Liabilities	180,552,552	Total Assets	180,552,552
Sources of Funds		Application of Funds	
Paid up Capital	173,663,039	Net Fixed Assets (Incl. Capital work in progress)	44,278,471
Secured Loans	----	Net Current Assets	49,357,121
Reserve and Surplus	1,268,939	Investments	0
Unsecured loans	5,620,574	Miscellaneous Expenditure	1,509,176
Accumulated Losses	83,255,785		

4. Performance of the Company (Amount in Rs.)

Turnover	3,388,009	Total Expenditure	4,391,057
Loss before Tax	1,003,033	Loss After Tax	1,003,033
Earning per share (in Rs.) (in Rs.)	----	Dividend Rate %	----

5. Generic Names of three principal Products/Services of the Company. (As per mandatory terms)

Item Code No. (ITC Code)	841989
Product Description	Machinery for Agriculture
Item Code No. (ITC Code)	
Product Description	Medical Transcription Services

## ELEVENTH ANNUAL REPORT 2004

### GOOD VALUE IRRIGATION LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2004

	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
LOSS BEFORE TAX AND EXTRAORDINARY ITEMS	(1,003,033)	(34,165,719)
ADJUSTMENTS FOR :		
DEPRECIATION	0	0
INTEREST & INVESTMENT INCOME	15	15
INTEREST AND DIVIDEND EXPENSE	8,156	23,714
DEFERRED REVENUE EXPENDITURE CHARGES OFF	1,211,764	1,211,764
TOTAL OF ADJUSTMENTS	1,219,935	1,235,493
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	216,902	(32,930,226)
ADJUSTMENTS FOR :		
TRADE & OTHER RECEIVABLES	397,297	296,668
TRADE AND OTHER PAYABLES	(414,642)	489,157
	(17,345)	785,825
CASH GENERATED FROM OPERATIONS	199,557	(32,144,401)
INTEREST PAID	(8,156)	(23,714)
NET CASH FROM OPERATING ACTIVITIES	191,401	(32,168,115)
<b>B. CASH FLOW FORM INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS/INVESTMENT	0	(177,657)
SALE/WRITTEN OFF OF FIXED ASSETS	0	31,646,454
INTEREST RECEIVED	0	0
NET CASH USED IN INVESTING ACTIVITIES	0	31,468,797
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM/(REPAYMENT OF) BORROWINGS	(194,568)	754,124
DIVIDENDS PAID	0	0
NET CASH USED IN FINANCING ACTIVITIES	(194,568)	754,124
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVELENTS	(3,167)	54,806
OPENING BALANCE	236,837	182,031
CLOSING BALANCE	233,670	236,837

For and on behalf of the Board of Directors

Place : Mumbai  
Dated : 26.09.2005

D.S.Dahanukar  
Director

#### AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Good Value Irrigation Ltd. for the year ended 31st December 2004. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing Agreement with Stock Exchanges and is based on and is in Agreement with the books and the records of the Company and also the Profit & Loss Account and Balance Sheet of the Company covered by our Report of even date to the members of the Company.

Place : Mumbai  
Dated : 26.09.2005

For and on Behalf of  
M/s. Niteen D. Kshirasagar & Co.  
Chartered Accountants

N.D.Kshirasagar  
Proprietor

**GOOD VALUE IRRIGATION LIMITED**

Registered Office: 311, Merchant Chambers, Hill Road, Bandra (West), Mumbai-400 050.

**ATTENDANCE SLIP**

I certify that I am registered Shareholder / Proxy for the registered Shareholder of the Company. I hereby record my presence at the Eleventh Annual General Meeting at Sunville Deluxe Pavilion, 9, Dr. Annie Besant Road, Worli, Mumbai 400 018 on Friday, 20<sup>th</sup> January 2006 at 11.00 A.M.

Name of the attending Member.....  
(In Block Letters)

Member's Folio Number.....

Name of Proxy (In Block Letters to be filled in if the proxy attends instead of the Members)  
.....  
.....

No. of Shares held.....  
.....

Member's / Proxy's Signature

- To be signed at the time of handing over this slip.

**PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP AT THE MEETING. NO DUPLICATE WILL BE ISSUED.**

**GOOD VALUE IRRIGATION LIMITED**

Registered Office: 311, Merchant Chambers, Hill Road, Bandra (West), Mumbai-400 050.

**PROXY FORM**

I / We .....of .....in the district of ..... being a member / members of Good Value Irrigation Ltd. hereby appoint ..... Of ..... in the district of .....of failing him ..... of ..... In the district of.....as my/our proxy to attend and vote for me/us on my/our behalf at the Eleventh Annual General Meeting of the Company to be held on Friday, 20<sup>th</sup> January 2006 at 11.00 A M and any adjournment thereof.

Signed this .....day of.....2006

Folio.....Signature.....

Please affix Re. 1 Revenue Stamp here

Note: The form duly completed and signed must be deposited at the Registered Office of the Company not later than 48 hours before the time of the meeting.

**BOOK- POST**

**To** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**GOOD VALUE IRRIGATION LIMITED**  
3rd Floor, Industrial Assurance Bldg.,  
Churchgate, Mumbai - 400 020.