



Ankush Finstock Ltd.

12th

Annual Report

Report  junction.com

2004-05

Registered Office

B/708, Fairdeal Hose,
Opp. St. Xavier's Girls Hostel, Off. C. G. Road,
Ahmedabad - 380 009.



12th Annual Report

Ankush Finstock Ltd.

**12TH ANNUAL REPORT
2004-2005**
BOARD OF DIRECTORS

Mr. Bharat M. Shah	➤	Chairman cum Managing Director
Mr. Hitesh P. Shah	➤	Director
Mr. Hardik M. Shukla	➤	Director
Mr. Rajesh C. Trivedi	➤	Director
Mr. Kamlesh H. Mehta	➤	Director
Mr. Vikesh B. Makvana	➤	Director
Mr. Nishant B. Vardhmani	➤	Director

AUDITORS

KHANDHAR & PARIKH
CHARTERED ACCOUNTANTS
AHMEDABAD

BANKERS

IDBI BANK
SUVIKAS PEOPLE'S CO. OPERATIVE BANK LIMITED
INDUSIND BANK

SHARE TRANSFER AGENT

PINNACLE SHARE REGISTRY PRIVATE LIMITED
AHMEDABAD

REGISTERED OFFICE

B/708, Fairdeal House,
Opp. St. Xavier's Girls Hostel, Off. C.G. Road,
Ahmedabad- 380 009



N O T I C E

NOTICE is hereby given that the 12th Annual General Meeting of the Members of ANKUSH FINSTOCK LIMITED will be held at the Registered Office of the Company at Hiral House, Kasturbhai Block, Naroda Road, Ahmedabad - 380025, on Friday, 30th September, 2005 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt audited Balance Sheet as at 31st March, 2005, Profit & Loss Account for the year ended on that date and the Reports of the Directors' and the Auditors' thereon.
2. To appoint Director in place of Mr. Hitesh P. Shah, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/S. KHANDHAR & PARIKH, CHARTERED ACCOUNTANTS, AHMEDABAD as Statutory Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of next Annual General Meeting, to audit accounts of the Company and fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION**:

"RESOLVED THAT Mr. Hardik M. Shukla who was appointed as an additional director of the Company by the Board of Directors with effect from 12.01.2005 and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION**:

"RESOLVED THAT Mr. Rajesh C. Trivedi who was appointed as an additional director of the Company by the Board of Directors with effect from 12.01.2005 and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION**:

"RESOLVED THAT Mr. Kamlesh H. Mehta who was appointed as an additional director of the Company by the Board of Directors with effect from 12.01.2005 and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION**:



"RESOLVED THAT Mr. Vikesh B. Makvana who was appointed as an additional director of the Company by the Board of Directors with effect from 12.01.2005 and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification, the following resolution as ORDINARY RESOLUTION:

"RESOLVED THAT Mr. Nishant B. Vardhmani who was appointed as an additional director of the Company by the Board of Directors with effect from 12.01.2005 and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, read with schedule XIII as amended and subject to the approval of the members of the Company, the remuneration of Mr. Bharat M. Shah, Chairman cum Managing Director of the Company be and is hereby increased from Rs. 5,000/- p.m. to Rs. 20,000/- p.m. with effect from 01.04.2005, all other terms and conditions as setout in the draft agreement between the Company and Mr. Bharat M. Shah as produced at this meeting and, for the purpose of identification, initialed by the director hereof."

10. To consider and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorized Share Capital of the Company be and is hereby increased from Rs. 6,50,00,000/- (Rupees Six Crores Fifty Lacs only) to Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lacs only) by creation of additional 20,00,000 (Twenty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each aggregating Rs. 2,00,00,000/- (Rupees Two Crores only)."

"FURTHER RESOLVED THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing clause V of the Memorandum of Association of the Company be substituted by inserting following new clause in the Memorandum of Association of the Company:

- V. The Authorized Share Capital of the Company is Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lacs only) divided into 85,00,000 (Eighty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each.

"FURTHER RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing clause 5 (a) of the Articles of Association of the Company be amended and to read as under:

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5 (a) The Authorized Share Capital of the Company is Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lacs only) divided into 85,00,000 (Eighty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each.

11. To consider and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), provisions of the Memorandum and Articles of Association of the, and subject to the rules/regulations/guidelines issued by the Securities and Exchange Board of India (hereinafter referred to as "SEBI"), the Stock Exchange where the shares of the Company are listed (including provisions of the listing agreement with them), or any other appropriate/ statutory authority and also subject to such approvals, permissions, sanction and consents as may be necessary and required from the Government of India, the Reserve Bank of India (hereinafter referred to as "RBI"), Foreign Investment Promotion Board (hereinafter referred to as "FIPB"), Secretariat for Industrial Assistance (hereinafter referred to as "SIA"), and/or under Foreign Exchange Management Act, 1999 read with FEMA (Transfer and Issue of the Securities by a person Resident Outside India) Regulations (hereinafter collectively referred to as "FEMA"), and all other appropriate authorities and institutions, under applicable legislations, rules, regulations, guidelines and contracts for the time being in force, and subject further to such other terms, conditions, stipulations, alterations, amendments, modifications of variations as may be required, specified or suggested by any of the concerned authorities or bodies; which terms, conditions, stipulations, alterations, modifications, amendments or variations the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any committee of Directors for time being authorized by the Board of Directors to exercise the powers conferred on the Board of Directors by this resolution), is hereby accorded to the Board to offer, issue and allot in one or more lot(s), on private placement and/or preferential basis, not exceeding 20,00,000 (Twenty Lacs) Equity Shares of the face values of Rs. 10/- each for cash in accordance with and on such further terms and conditions specified in the SEBI Guidelines for preferential issue to the following persons/ entities:

Name of the proposed Allottees & Category	Maximum No. of Equity Shares to be issued
Bharat M. Shah (Promoter)	300000
Vinod Jain (Indian Public)	200000
Marrot Stock Holdings Pvt. Ltd. (PCB)	500000
Bhavana Investment Pvt. Ltd. (PCB)	500000
Prabhavi Investment Pvt. Ltd. (PCB)	500000
Total	20,00,000

"FURTHER RESOLVED THAT the offer, issue and allotment of the aforesaid 20,00,000 (Twenty Lacs) Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide, subject however to applicable guidelines, notifications, rules and regulations."

"FURTHER RESOLVED THAT in case, the equity shares of the Company are either subdivided or consolidated before offer, issue or allotment of the 20,00,000 (Twenty Lacs) equity shares as aforesaid, then the face value, the number of shares to be allotted and the price of acquisition of the shares by the aforesaid allottees shall automatically stand augmented in the same proportion as the



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present face value of Rs. 10/- per equity share of the Company bears to the newly sub-divided or consolidated equity shares, without affecting any right or obligation of the said allottees."

"FURTHER RESOLVED THAT the Board be and is hereby authorized to decide the other terms of issue of the said equity shares, PROVIDED THAT the said equity shares to be allotted in terms of this resolution shall be made fully paid-up at the time their allotment and shall be on pari passu basis in all respects with the existing equity shares of the Company.

"FURTHER RESOLVED THAT to give effect to the aforesaid resolution, the Board be and is hereby authorized to delegate all or any of the powers herein conferred on it to any Committee of Directors or any Director or any officer(s) of the Company; AND for the purpose of giving effect to this resolution, the Board acting on its own or through a Committee of Directors or any other person duly authorized in this regard by the Board/ Committee, be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any or all questions/ matters arising with respect to the offer, issue or allotment (including deciding the terms and conditions for the same) utilization of the proceeds of the issue of shares, execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to the aforesaid resolution, take such further steps as are required for the allotment and listing on one or more stock exchanges of the said shares, or such other steps that are incidental and ancillary in this regard and to do, make or accept such alterations, modifications or variations in the foregoing as may be considered desirable on expedient by the Board/ Committee/ such authorized person in the best of interest of the Company and its shareholders."

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: AHMEDABAD.

[BHARAT M. SHAH]

DATE: 07/09/2005

Chairman cum Managing Director

NOTES:

1. 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. A proxy in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the time scheduled for holding the meeting.
2. Members are requested to bring their copies of Annual Report and Accounts to the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 26/09/2005 to 30/09/2005 (both days inclusive) for the purpose of Section 154 of the Companies Act, 1956.
4. The relevant Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed hereto.

Annexure to the Notice:

EXPLANATORY STATEMENT

[Pursuant to the Provisions of Section 173 (2) of the Companies Act, 1956]

ITEM NO. 4 OF THE NOTICE:

Mr. Hardik M. Shukla was appointed as additional director of the Company with effect from 12.01.2005 holds office up to the date of forthcoming Annual General Meeting. He is well qualified person and having



very vast experience in the filed of finance so it is in the interest of the Company to appoint him as a director of the Company. The board recommends for his appointment.

The Directors recommend the aforesaid resolution for adoption by the members.

None of the Directors are in any way concerned or interested except Mr. Hardik M. Shukla in the aforesaid resolution.

ITEM NO. 5 OF THE NOTICE:

Mr. Rajesh C. Trivedi was appointed as additional director of the Company with effect from 12.01.2005 holds office up to the date of forthcoming Annual General Meeting. He is well qualified person and having very vast experience in the filed of commerce and industry so it is in the interest of the Company to appoint him as a director of the Company. The board recommends for his appointment.

The Directors recommend the aforesaid resolution for adoption by the members.

None of the Directors are in any way concerned or interested except Mr. Rajesh C. Trivedi in the aforesaid resolution.

ITEM NO. 6 OF THE NOTICE:

Mr. Kamlesh H. Mehta was appointed as additional director of the Company with effect from 12.01.2005 holds office up to the date of forthcoming Annual General Meeting. He is well qualified person and having very rich and varied experience in the filed of shares and stocks so it is in the interest of the Company to appoint him as a director of the Company. The board recommends for his appointment.

The Directors recommend the aforesaid resolution for adoption by the members.

None of the Directors are in any way concerned or interested except Mr. Kamlesh H. Mehta in the aforesaid resolution.

ITEM NO. 7 OF THE NOTICE:

Mr. Vikesh B. Makvana was appointed as additional director of the Company with effect from 12.01.2005 holds office up to the date of forthcoming Annual General Meeting. He is well qualified person and having very vast experience in the filed of finance so it is in the interest of the Company to appoint him as a director of the Company. The board recommends for his appointment.

The Directors recommend the aforesaid resolution for adoption by the members.

None of the Directors are in any way concerned or interested except Mr. Vikesh B. Makvana in the aforesaid resolution.

ITEM NO. 8 OF THE NOTICE:

Mr. Nishant B. Vardhmani was appointed as additional director of the Company with effect from 12.01.2005 holds office up to the date of forthcoming Annual General Meeting. He is well qualified person and having



very vast experience in the filed of accounts so it is in the interest of the Company to appoint him as a director of the Company. The board recommends for his appointment.

The Directors recommend the aforesaid resolution for adoption by the members.

None of the Directors are in any way concerned or interested except Mr. Nishant B. Vardhmani in the aforesaid resolution.

TEM NO. 9 OF THE NOTICE:

The business of the Company is continues increase and Mr. Bharat M. Shah, Chairman cum Managing Director of the Company is required to spare more time for proper functioning and day-to-day activities of the Company. In view of this the Board of Directors considers that it would become necessary to increase remuneration of Mr. Bharat M. Shah, Chairman cum Managing Director from Rs. 5,000/- to Rs. 20,000/- p.m. to look after day to functioning and activities of the Company.

The Directors recommend the aforesaid resolution for adoption by the members.

None of the Directors are in any way concerned or interested except Mr. Bharat M. Shah in the aforesaid resolution.

ITEM NO. 10 OF THE NOTICE:

The present Authorized Share Capital of the Company is Rs. 650 Lacs divided into 65 Lacs Equity Shares of Rs. 10/- each. Consequent to the proposed preferential issue of Equity Shares to 20 lacs, the Paid-up Share Capital will be increased beyond the limit approved by the Shareholders. Accordingly, it was considered necessary to increase the Authorized Share Capital from Rs. 650 Lacs to Rs. 850 Lacs by creation of 20 Lacs Equity Shares of Rs. 10/- each which will rank pari passu in all respects with existing Shares.

The proposed increase of the Authorized Share Capital and consequential alteration to the Memorandum and Articles of Association of the Company to reflect the proposed change in the Authorized Share Capital requires the approval of the members in general meeting.

The Directors recommend the aforesaid resolution for adoption by the members.

None of the Directors are in any way concerned or interested in the aforesaid resolution.

ITEM NO. 11 OF THE NOTICE:

The members are aware of the policy of the company to grow with pace by spotting opportunities early and implementing. As the business scenario continues to provide goods growth potential for securities market and construction industry, and your company is targeting maximum share in the growth of the industry leading to speedy growth; various measures are required to enhance the Company's financial resources, including the long term working capital. The Company has decided to make contract with Swami Dayanand Co.-Op. Hou. Soc. Ltd. for development of land 42000 sq. yds., which is located at Hathijan, Near Godasar, Ahmedabad. The total cost of land is Rs. 60,00,000/-. The Company has also decided to make contract with Dayanand Construction Co. for construction of 297 Residential Bungalows on said land. The total construction cost is Rs. 3,20,00,000/-. The Company has decided to finance whole project by way of internal cash accrual and raising new capital by way of preferential allotment. It is proposed to issue equity shares to the promoters of the Company, on private placement/ preferential basis and as per the details given respectively in the special resolution at item no. 11 of the notice.



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The offer, issue and allotment of 20,00,000 equity shares of the Company as envisaged under the proposed special resolution at item no. 11 above shall be completed in accordance with the guidelines of the Securities & Exchange Board of India [SEBI] for preferential issue, being Chapter XIII to the SEBI (Disclosure and Investor Protection) Guidelines, 2000, or within such other time as may be permitted under the said guidelines.

A copy of the certificate of the Auditors of the Company certifying the adherence to SEBI's guideline for Preferential Issues, being Chapter XIII to the SEBI's (Disclosure and Investor Protection) Guidelines, 2000 for the proposed issues shall be laid before the shareholders at their proposed annual general meeting.

The information as required under SEBI (Disclosure and Investor Protection) Guidelines, 2000, are as under:

a) Object of the issue

The augment the long term working capital requirements, to finance construction project cost of Rs. 4,30,00,000/-.

b) Intention of Promoters/ Directors/Key Management Persons to subscribe to the offer:

(i) Under Special Resolution at Item No. 11 of the Notice:

The following Promoter of the Company has conveyed to the Company of their intention to subscribe to/acquire equity shares of the Company on preferential /private placement basis as proposed under special resolution at item no. 11 above.

S.No.	Particulars of the Promoters / Directors Key Management Persons	Maximum No. of Equity Shares to be Issued
1	Bharat Manubhai Shah	300000

c) Shareholding pattern before and after issue of equity shares under resolution at item no. 11 of the notice, based on the shareholding pattern as on 30th June, 2005, is follows:

	Shareholding Pattern Particulars	Existing Shareholding		After proposed preferential issue of Shares	
		No. of Shares	% to total Capital	No. of Shares	% to total Capital
A 1	Promoters holding				
	Promoters				
	Indian Promoters				
	Bharat M. Shah	560000	09.33	860000	10.74
	Rajesh C. Trivedi	221505	03.69	221505	02.77
		781505	13.02	1081505	13.51
2	Persons acting in concert	Nil	Nil	Nil	Nil
B	Non-promoters holding				
3	Institutional Investors				
a	Mutual Funds & UTI	Nil	Nil	Nil	Nil
b	Banks, FI etc.	Nil	Nil	Nil	Nil
c	FIs	Nil	Nil	Nil	Nil



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Shareholding Pattern		Existing Shareholding		After proposed preferential issue of Shares	
	Particulars	No. of Shares	% to total Capital	No. of Shares	% to total Capital
4	Others				
a	Private Corporate Bodies	1254506	20.89	2754506	34.41
b	Indian Public	3844369	64.04	4044369	50.53
c	NRI/OCBs	225	0.0	Nil	Nil
d	Any other Clg Members	Nil	Nil	Nil	Nil

The proposed preferential allotment will not result in to any change in the management control. Voting rights shall change according to the change in shareholding pattern mentioned above.

d) Proposed time within which allotment be completed

The allotment of 20,00,000 equity shares as proposed under special resolution at item no. 11 of the notice will be completed within time as may be prescribed under the SEBI's Guidelines on preferential issues.

e) Identity of allotments with percentage of expanded capital to be held by them:

The proposed allotment for 20,00,000 equity shares under special resolution at item no. 11 of the notice and the percentage of expanded capital to be held by them after the proposed allotment of the said equity shares to them as per the said resolution are as under:

Shareholding Pattern		Existing Shareholding		After proposed preferential issue of Shares	
	Particulars	No. of Shares	% to total Capital	No. of Shares	% to total Capital
1	Indian Promoters Bharat M. Shah Rajesh C. Trivedi	560000 221505	9.33 3.69	860000 221505	10.74 02.77
2	Other Private Corporate Bodies Indian Public	1254506 3844369	20.89 64.04	2754506 4044369	34.41 50.53

Section 81 of the Companies Act, 1956 provides inter alia, that when it is proposed to increase the issued capital of the company by allotment of further shares, etc., such further shares shall be offered to the existing shareholders of the Company in the manner laid down in section 81, unless the shareholders in general meeting decide otherwise by passing a special resolution.