

MD	✓		BKC	✓
CS	✓		DPY	MP
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SH	✓
YE	✓	✓		



24th  
Annual Report  
1997-98

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C

Conart Engineers Limited



E

*Conart Engineers Limited***BOARD OF DIRECTORS**

SHRI VINOD S. SURA  
Chairman & Managing Director

SHRI RAMESH S. SURA  
SHRI JITENDRA S. SURA  
SHRI TEJAS V. SURA  
Whole-time Directors

DR. GITESH K. SHAH  
SHRI SURENDRA C. BUTALA  
Directors

**COMPANY SECRETARY**

SHRI D.G. PRAJAPATI

**BANKERS**

BANK OF BARODA  
DENA BANK  
THE SARASWAT CO-OPERATIVE BANK LTD.

**AUDITORS**

OSTWAL DESAI & KOTHARI (Regd.)  
Chartered Accountants

**REGISTERED OFFICE**

35, Manoj Udyog,  
40/A, G.D. Ambekar Marg,  
Wadala, Mumbai 400 031.

**BRANCH OFFICE**

Bombay Shopping Centre,  
2nd Floor,  
R.C. Dutt Road,  
Baroda 390 005.

**FACTORY ADDRESS**

Plot No. 69, Opp. Mukta Nagar Mandir,  
At & Post Manjusar, Taluka - Savli,  
Baroda.

**SHARE TRANSFER AGENT**

CONSOLIDATED SHARE SERVICES PVT. LTD.  
Shanti Nagar, Cross Road 'A',  
Near M.I.D.C. Bus Depot,  
Andheri (East), Mumbai 400 093.

AP  
13/8/94



*Conart Engineers Limited*

### NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Forth Annual General Meeting of the Members of Conart Engineers Limited will be held at Prince Hall, National Sports Club of India, Worli, Mumbai 400 018 on Tuesday, 1st September, 1998, at 4.30 p.m. to transact the following :

#### ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at 31st March, 1998, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March, 1998.
3. To appoint a Director in place of Mr. Surendra C. Butala who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. Gitesh K. Shah who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and fix their remuneration. The retiring auditors M/s. Ostwal Desai & Kothari, Chartered Accountants are eligible and offer themselves for reappointment.

#### SPECIAL BUSINESS :

6. To Consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 163 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval to keep the Register of Members and Index of the Members at the office of M/s. Consolidated Share Services Pvt. Ltd., the Registrar and Transfer Agent of the Company, situated at Shanti Nagar, Cross Road 'A', Near M.I.D.C. Bus Depot, Andheri (East), Mumbai 400 093."

Mumbai, Dated : 29th June, 1998.

#### Registered Office :

35, Manoj Udyog,  
40/A, G.D. Ambekar Marg,  
Wadala, Mumbai 400 031.

By order of the Board of Directors  
**For CONART ENGINEERS LIMITED**

**D.G. PRAJAPATI**  
Company Secretary



# Conart Engineers Limited

## NOTES

1. A member entitled to attend and Vote at the Meeting may appoint a proxy or proxies to attend and on a poll to vote instead of him. Proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.
2. An explanatory statement pursuant to section 173 of the Companies Act, 1956 relating the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24th August, 1998 to 1st September, 1998 (both days inclusive) in connection with the ensuing Annual General Meeting.
4. Payment of the dividend as recommended by the Directors, if approved at the Meeting, will be made to those members whose names are on the Company's Register of Members on 1st September, 1998.
5. Members are requested to notify immediately any change in their addresses to the Company.

6. The unpaid dividends that are due for transfer to the Central Government are as follows :

**For the financial year ended**

**Due for transfer on**

31.03.1995

15.11.1998

31.03.1996

16.10.1999

31.03.1997

08.10.2000

Members who have not encashed their dividend warrants for the aforesaid financial years are requested to approach the Company's Registrar & Transfer agent for obtaining duplicate dividend warrants.

7. An amount of Rs. 3670.34 representing the balance in the Unpaid Dividend Account in respect of Dividend for the financial year ended 31st March, 1994 was transferred to the General Revenue Account of the Central Government. Those Members who have so far not claimed or collected their dividend for the above said financial year, may claim their dividend from Registrar of Companies, Hakoba Compound, Kalachowki, Mumbai, Maharashtra.
8. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
9. Shareholders are requested to bring their copies of Annual Report to the Meeting.

Mumbai, Dated : 29th June, 1998.

**Registered Office :**

35, Manoj Udyog,  
40/A, G.D. Ambekar Marg,  
Wadala, Mumbai 400 031.

By order of the Board of Directors  
**For CONART ENGINEERS LIMITED**

**D.G. PRAJAPATI**  
Company Secretary

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 : ITEM NO. - 6**

Your Board of Directors have appointed **M/s. Consolidated Share Services Pvt. Ltd.** as its Registrar and Share Transfer Agent with effect from 2nd September, 1998. With a view to enable the Registrar and Transfer Agent to carry on their duties efficiently and expeditiously, it would be desirable to keep the Register of Members and Index of Members at the office of the Registrar and Share Transfer Agent at Shanti Nagar, Cross Road 'A', Near M.I.D.C. Bus Depot, Andheri (East), Mumbai 400 093.

Having regard to the provisions of the section 163 of the Companies Act, 1956, the consent of the Members by a Special resolution is required to keep the Register of Members and Index of Members at any other place within the city, town or village in which the Registered Office of the Company is situated. Hence, the item no. 6 as Special Business of the Notice has been proposed.

None of the Directors of the Company is concerned or interested in the passing of the Resolution at Item No. 6 of the Notice.

Mumbai, Dated : 29th June, 1998.

**Registered Office :**

35, Manoj Udyog,  
40/A, G.D. Ambekar Marg,  
Wadala, Mumbai 400 031.

By order of the Board of Directors  
**For CONART ENGINEERS LIMITED**

**D.G. PRAJAPATI**  
Company Secretary



# Conart Engineers Limited

## DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report together with the audited statement of accounts and the Reports of the Auditors for the financial year ended 31st March, 1998.

### FINANCIAL RESULTS

(Rupees In Lacs)

	1997-98	1996-97
Turnover	1086.22	926.17
Operating Profit	263.48	246.37
Other Income	7.29	18.51
Administrative and Other Expenses	171.40	175.78
Interest	13.81	16.79
Depreciation	17.03	16.53
Profit Before Tax	68.53	55.78
Provision for Tax	26.22	27.20
Profit after Tax but before Extra Ordinary Item	42.31	28.58
Extraordinary Item	00.04	25.31
Profit after Tax	42.27	3.27
Surplus Brought Forward	93.35	106.58
Balance available for Appropriation	135.62	109.85

### APPROPRIATION

Dividend on Equity Capital	15.00	15.00
Corporate Dividend Tax	1.50	1.50
Surplus carried to Balance Sheet	119.12	93.35

### REVIEW OF OPERATIONS

#### Industrial Civil Construction

The performance of the Company during the year under review has been satisfactory in view of adverse market conditions. The turnover during the year under review was Rs.1086.22 lakhs and net profit was Rs.42.27 lakhs.

Company always enjoys high reputation in the industry for its quality and timely completion of work. M/s. Asea Brown Boveri Ltd. has awarded a Bonus to the Company for timely completion of project.

#### Project of Manufacturing Bricks from Flyash

In view of the lack of demand of flyash bricks, the management was left with no other alternative except to suspend the production of flyash bricks.

#### Wind Power Project

The Company has installed wind power project on the basis of data available for wind supplied by Gujarat Energy Development Agency. This data is found to be at variable with the actual conditions and therefore, the potential of the project is not realised. Also due to poor availability of grid and much lower wind condition at site during the year, the energy production was much lower than expected.

### DIVIDEND

Your Directors have proposed a dividend of 5% for the year ended 31st March, 1998.

### DIRECTORS

Mr.Surendra C.Butala and Dr.Gitish K.Shah Directors retires by rotation and being eligible and offer themselves for reappointment.

### FIXED DEPOSIT

The Company has not accepted any deposit from the public.

### SUBSIDIARY COMPANY

The reports and accounts of the CONART SECURITIES LIMITED are annexed to this report along with the statement pursuant to section 212 of the Companies Act, 1956.



*Conart Engineers Limited*

### PARTICULARS OF EMPLOYEES

Particulars of employees as required by section 217 (2A) of the Companies Act, 1956 read with the Companies (particular of employees) Rules, 1975, are given in the annexure to the report.

### CONSERVATION OF ENERGY

The Company has taken the required steps and has been consistently exercising necessary vigilance in the direction of Energy conservation which is of paramount importance.

### FOREIGN EXCHANGE EARNING/OUTGOING

Foreign Exchange earned during the year - NIL  
 Foreign Exchange outgo during the year - Rs. 25,600 as dividend  
 - Rs. 6,507 as subscription

### TECHNOLOGY ABSORPTION

The Company is continuously upgrading its Machinery in consonance with the latest technology in the construction industry.

### AUDITORS

The Auditors of the Company M/s. Ostwal Desai & Kothari, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible and offer themselves for reappointment.

### ACKNOWLEDGEMENT

Your Directors record their appreciation of the contribution made by the employees at all the levels during the year.

Your Directors express their gratitude to the Company's valued clients, contractors, suppliers, bankers, consultants, auditors and various Government Authorities for their Co-operation and Support and guidance.

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On behalf of the Board

**VINOD S. SURA**

Chairman & Managing Director

Mumbai, Dated : 29th June, 1998

### ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956, (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1998.

SR. NAME NO.	DESIGNATION & NATURE OF DUTIES	AGE	REMUNERATION	QUALIFICATION	EXP. YEARS	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD
1. Mr. Vinod S. Sura	Managing Director	63	491,708	B.S.M.S. Civil	37	Since incorporation of the Co.	M/s. R. Kirti Construction [P] Ltd.
2. Mr. Ramesh S. Sura	Director Finance & Administration	66	424,395	Inter Science	39	Since incorporation of the Co.	M/s. R.B. Sura
3. Mr. Jitendra S. Sura	Director Technical	47	398,224	D.C.E. ( Civil )	23	Since incorporation of the Co.	-

### NOTE :

- [1] Remuneration includes Salary, Commissions, Allowances, Perquisites and the Company's Contribution to Provident and Super Annuation Fund.
- [2] The Appointments are Contractual.
- [3] The above Directors are related to each other.

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*Conart Engineers Limited***AUDITORS' REPORT**

TO  
THE MEMBERS OF  
**CONART ENGINEERS LIMITED**

We have audited the attached Balance Sheet of CONART ENGINEERS LIMITED as at 31st March, 1998 and also the annexed Profit and Loss Account for the year ended on that date and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraph (1) above :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 examinations of the 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 and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
    - (i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1998 and
    - (ii) in the case of Profit and Loss Account of the profit for the year ended on that date.

For **OSTWAL DESAI & KOTHARI**  
Chartered Accountants

**T.P.OSTWAL**  
Partner

Mumbai, Dated : 29th June, 1998

**Annexure referred to in Paragraph 1 of the Auditors' Report to the members of CONART ENGINEERS LIMITED on the Accounts for the year ended March 31, 1998.**

1. The Company has maintained proper records showing full particulars including quantitative details and situations of its fixed assets. We are informed that the fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies between the book records and physical inventory have been noticed on such verification in respect of the assets physically verified.
2. None of the Fixed Assets have been revalued during the year.
3. The stock of stores, spares, scaffolding materials and construction materials, raw materials and finished goods were physically verified by the Management during the year. In our opinion, the frequency of the verification is reasonable.
4. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on verification between physical stock and the book records were not material and have been properly dealt with in the books of account.
6. On the basis of our examination of stock records, in our opinion, the valuation of stock is fair and proper and is in accordance with the normally accepted accounting principles. However in case of stock of work-in-progress, an element of profit has not been excluded. The basis of valuation of stock is same as in the preceding year.