

27th
Annual Report
2000-2001

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Conart Engineers Limited

Where Construction Engineering becomes an art



Conart Engineers Limited

Board of Directors

Shri Ramesh S. Sura
Chairman

Shri Jitendra S. Sura
Managing Director

Shri Tejas V. Sura
Jt. Managing Director

Shri Haresh V. Patel
Director

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 Center,
2nd Floor, R. C. Dutt Road,
Vadodara-390 005.

Factory Address

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

Share Transfer Agent

M/s. Sharex (India) Pvt. Ltd.
17/B, Dena Bank Building,
2nd Floor, Horniman Circle,
Fort, Mumbai 400 001

Unit-1, Luthra Industrial Premises,
Andheri-Kurla Road,
Safed Pool, Andheri (East),
Mumbai.

Listing of Shares

Mumbai, Vadodara, Ahmedabad.



Conart Engineers Limited

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Seventh 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 Friday, 14th September, 2001 between 4.00 p.m. to 7.00 p.m. to transact the following :

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 2001 Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jitendra S. Sura who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and fix their remuneration. The retiring auditors M/s. Ostwal Desai & Kothari, Chartered Accountants are eligible and offer themselves for reappointment.

4. Special Business :

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

"RESOLVED THAT pursuant to the provisions of section 257 of the Companies Act, 1956 Mr. Haresh V. Patel who was appointed as an Additional Director by the Board of Directors of the Company and whose terms of office expires at the Annual General Meeting, be and is hereby appointed as a Director of the company liable to retire by rotation."

Mumbai, Dated : 30th June, 2001

By order of the Board of Directors

Registered Office :

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

RAMESH S. SURA
Chairman

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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. The Register of Members and Share Transfer Books of the Company will remain closed from 13th September, 2001 to 14th September, 2001 (both days inclusive) in connection with the ensuing Annual General Meeting.
3. Members are requested to notify immediately any change in their addresses to the Company.
4. As per the amendment in Section 205-A of the Companies Act, 1956, and introduction of Section 205-C, by the Companies (Amendment) Ordinance, 1999, now the amount of dividend remaining unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund.
Members who have not encashed the dividend warrant(s) so far for the Financial Year ended 31st March, 1995 or any subsequent dividend payment(s) are requested to make their claim to the Company.
5. Members /Proxies should bring the attendance slip duly filled in for attending the meeting.
6. Shareholders are requested to bring their copies of Annual Report to the Meeting.

Explanatory Statement u/s 173(2) of the Companies Act, 1956:

Item No. 4

By resolution passed by the Board of Directors at its Meeting held on 14th June, 2001, Mr. Haresh V. Patel was appointed as an Additional Director of the company under Section 260 of the Companies Act, 1956. Mr. Haresh V. Patel holds the office of Director upto the date of this Annual General Meeting and the company has received Notice from a member under section 257 of the Companies Act, signifying his interest to propose him as a candidate for the office of a Director.

Mr. Haresh V. Patel is a well-known industrialist from Gujarat. The Directors are of the opinion that Mr. Haresh V. Patel's knowledge and experience will be benefit to the company. The Board, therefore, recommends the acceptance of the resolution set out in the notice convening the meeting.

No Director, except Mr. Haresh V. Patel is interested or concerned in the resolution.

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**

RAMESH S. SURA
Chairman

Mumbai, Dated : 30th June, 2001



Conart Engineers Limited

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report together with the audited statement of accounts and the reports of the Auditors for the Financial Year ended 31st March, 2001.

FINANCIAL RESULTS

	(Rupees In Lacs)	
	2000-2001	1999-2000
Turnover	778.95	870.35
Operating Profit	131.93	220.81
Other Income	16.11	17.07
Administrative and Other Expenses	178.78	240.69
Interest	11.75	13.53
Depreciation	18.81	18.02
Profit /(Loss) Before Extra Ordinary Item & Tax	(61.30)	(34.35)
Provision for Taxation.	--	--
Profit /(Loss) after Tax but before Extra Ordinary Item	(61.30)	(34.35)
Increase in value of Investment	--	8.90
Profit /(Loss) After Tax	(61.30)	(25.45)
Provision for earlier years written back	1.78	1.35
Surplus Brought Forward	123.32	147.42
Balance available for Appropriation	63.80	123.32

APPROPRIATION

Dividend on Equity Capital		--
Corporate Dividend Tax		--
Surplus carried to Balance Sheet	63.80	123.32

REVIEW OF OPERATIONS

During the year under review the Company has incurred loss of Rs.61.30 Lacs. Increase in the loss due to sluggish market condition & writing of accumulated unrecoverable dues of Rs.28 Lacs. Your board of Directors has taken strong measures to improve the performance of the Company like

- The Company has started aggressive marketing in the industries to bag more and more orders.
- Company has drastically reduced its administrative expenses from 240 Lacs to 178 Lacs.

Your Directors are hopeful of better performance in the current year

PROJECT OF MANUFACTURING BRICKS FROM FLYASH

The Company has suspended the production of flyash bricks from August 1996 due to lack of demand. Your Directors are trying hard to dispose of the flyash bricks unit.

WIND POWER PROJECT

The Company has received minimum assured return upto February, 2001 from the project. Since the Company is not receiving proper returns and the maintenance of the windmill is very costly affairs, your Directors are of the opinion to dispose of the windmill.

DIVIDEND

The Directors regret their inability to propose a dividend for the year.

DEPOSITORY SYSTEM

Your Company is in the process of completing necessary formalities with NSDL & CDSL for dematerialisation of shares. The shareholders are requested to get their holding dematerialized at the earliest.

DIRECTORS

Mr. Surendra C. Butala resigned as a Director with effect from 31st July, 2000 and Dr. Gitesh K. Shah resigned as a Director w.e.f. 14th June, 2001. The Board place on record their appreciation of the valuable service rendered by them during their tenure as Director of the Company.

In accordance with the Articles of Association of the Company Mr. Jitendra S. Sura retire by rotation at the ensuing Annual General meeting and being eligible, offer himself for reappointment.



Conart Engineers Limited

Mr. Haresh V. Patel was appointed as an Additional Director on the Board on 14th June, 2001. Mr. Haresh V. Patel holds office under Section 260 of the Companies Act, 1956, upto the forthcoming Annual General Meeting and is eligible for appointment at the Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director.

DIRECTORS' RESPONSIBILITY STATEMENT :

Director hereby confirm :

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the annual accounts on a going concern basis.

SUBSIDIARY COMPANY

The Board has decided to concentrate only on its main line of business as a result the company has divested entire share capital of Conart Securities Ltd. and consequently the said company ceased to be subsidiary.

FIXED DEPOSIT

The Company has not accepted any deposit from the public.

PARTICULARS OF EMPLOYEES

The Company has no employee drawing remuneration equal to or more than the limits prescribed U/S 217 (2A) of the Companies Act, 1956.

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. 6415 as subscription
		-Rs. 6415 Total

TECHNOLOGY ABSORPTION

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

Y2K COMPLIANCE

No software or hardware problem relating to the Y2K were reported during the course of transition to the new millennium.

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.

ACKNOWLEDGMENT

Your Directors express their warm appreciation to all the employees for their diligence and contribution.

Your Directors express their gratitude to the Company's esteemed clients, Contractors, suppliers, bankers, consultants, auditors and various Government Authorities for their valuable contribution and continued support.

On behalf of the Board

(RAMESH S. SUR)
CHAIRMAN

Mumbai, Dated : 30th June, 2001



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, 2001 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 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, the Balance Sheet and Profit and Loss Account, dealt with by this report, comply with the Accounting Standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956;
 - e) On the basis of the written representation received from the directors, and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2001 from being appointed as directors 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 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, 2001
and
 - (ii) in the case of Profit and Loss Account of the loss for the year ended on that date.

For **OSTWAL DESAI & KOTHARI**
Chartered Accountants

Mumbai
Dated: 30th June, 2001

T.P.OSTWAL
Partner

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, 2001

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 book records and physical inventory have been noticed on such verification in respect of the assets physically verified.