



Conart Engineers Limited[®]

where construction engineering becomes an art





Conart Engineers Limited®

BOARD OF DIRECTORS

MR. JITENDRAS S. SURA
CHAIRMAN &
MANAGING DIRECTOR

MR. TEJAS V. SURA
JT. MANAGING DIRECTOR

MR. HARSHAD B. JHAVERI
INDEPENDENT DIRECTOR

MR. HARESH V. PATEL
INDEPENDENT DIRECTOR

MR. SEVANTILAL P. SHAH
INDEPENDENT DIRECTOR

MR. PRADIP R. SURA
INDEPENDENT DIRECTOR

AUDITORS

GOVIND PRASAD & CO.
Chartered Accountants

REGISTERED OFFICE

35, Manoj Udyog,
40/A G.D. Ambekar Marg,
Wadala, Mumbai - 400 031.
Tel. : 2414 8503 / 09

REGISTRAR & TRANSFER AGENT

M/s. Sharex Dynamic (India) Pvt. Ltd.,
Unit 1, Lutra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai - 400 072.

BANKERS

Bank of Baroda
Dena Bank
The Saraswat Co-operative Bank Ltd.
HDFC Bank
State Bank Of India

BRANCH OFFICE

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

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NOTICE

Notice is hereby given that the Thirty Fifth Annual General Meeting of the Members of **CONART ENGINEERS LIMITED** will be held on Friday 25th September 2009 at 3.00 P.M. at AOTS ALUMINI ASSOCIATION OF WESTERN INDIA, 3rd floor, India Printing House, 42, G. D. Ambekar Marg, Wadala, Mumbai 400 031 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and 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. Haresh V. Patel who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint a Director in place of Mr. Sevantilal P. Shah who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint M/s. Govind Prasad & Co., Chartered Accountants as the Auditors of the Company who is retiring at the ensuing Annual General Meeting and is eligible for reappointment has offer himself for reappointment and fix his remuneration.

By order of the Board of Directors

For **CONART ENGINEERS LIMITED**

(Mr. Jitendra S. Sura)

Chairman / Managing Director

Place: Mumbai

Date: 27th June 2009

Registered Office:

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

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED TO BE A MEMBER. INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of Members and the Share Transfer Books of the Company will remain closed from 18th September, 2009 to 25th September, 2009 (Both Days Inclusive)
3. Members are requested to notify immediately about any change of address with PIN CODE to their Depository Participants (DPs) in respect of their Demated Shares and to the Company in respect of their Physical Share Certificates.
4. Shareholders are advised to convert their shares into the dematerialised form if they have not converted them so far.
5. Members / Proxies should bring the attendance slip, duly filed in for the attending the meeting.
6. Consequent upon the amendment of Section 205(A) of the Companies Act and the introduction of Section 205(C) by the Companies (Amendment) Act, 1999 the amount of dividend from year 1997-98 remaining unpaid or unclaimed for a period of Seven years from the date of transfer to the Unpaid Dividend Account of the Company has been transferred to the Investor Education and Protection Fund (the fund) set up by the Government of India and no payments shall be made in respect of any such claims by the fund.

By order of the Board of Directors

For **CONART ENGINEERS LIMITED**

(Mr. Jitendra S. Sura)

Chairman / Managing Director

Place: Mumbai

Date: 27th June 2009

Registered Office:

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



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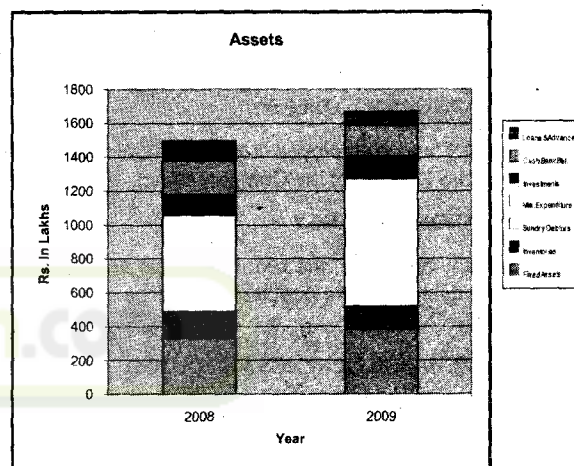
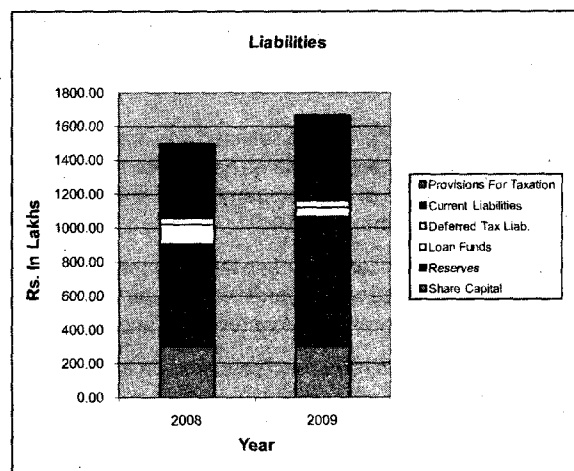
DIRECTORS' REPORT

TO THE MEMBERS OF CONART ENGINEERS LIMITED

The Directors have pleasure in presenting their Thirty-Fifth Annual Report and the Audited Statement of Accounts for the Financial year ended March 31 2009.

FINANCIAL REVIEW

	(Rupees In Lacs)	
	<u>2008-09</u>	<u>2007-08</u>
Gross revenue	2847.81	2548.49
Total expenditure	2608.56	2332.28
Operating Profit	239.25	216.21
Other Income	45.32	38.29
Profit Before Interest and Depreciation	284.57	254.50
Interest	10.87	16.00
Depreciation	29.77	26.74
Profit Before Tax	243.93	211.74
Provision for Taxation		
(a) Current	(78.10)	(65.50)
(b) Deferred Tax earlier year written Back	0.00	0.00
(c) Deferred Tax	(0.54)	(1.22)
(d) Fringe Benefit	(3.59)	(3.32)
(e) Prior Year Tax Adjustment	0.00	(2.70)
Profit after Tax	161.70	139.01
Balance Brought forward from earlier year	434.11	295.10
Amount available for appropriations	595.81	434.11
Balance carried to Balance sheet	595.81	434.11



PERFORMANCE REVIEW:

Your company has registered a robust growth in turnover of about 12%. The increase in price of Materials and Labour continues to marginally affect the profits of your company. Your company is aggressively marketing to increase orders and increase turnover. Your directors are pursuing various strategies to ensure a promising future.

BUSINESS PROSPECTS:

In the current Budget the Government has earmarked huge funds for development of infrastructure. The Real Estate sector is also reviving since the corporate world has forecast a turnaround. The capex plans which were deferred are now in the process of being implemented by corporate world. The Government is also committed to boost the Indian economy for overall growth. All these factors are positive indicators for your company.

NEW STANDARD ADOPTED:

Your company has successfully renewed its accreditation as an ISO 9001:2008 company from JAS, Australia and New Zealand (JAS-ANZ).

Your Directors are confident that a bright future lies ahead for the Real Estate Sector and your company.

DIVIDEND:

The Board of Directors are of the opinion that the profit is to be ploughed back and hence do not recommend dividend this year.

DEPOSITORY SYSTEM:

86.02% of the equity shares of the company are dematerialised as on 31st March 2009.

DIRECTORS:

In accordance with the provisions of The Companies Act, 1956 and in accordance with the Articles of Association of the Company, Mr. Haresh V. Patel and Mr. Sevantilal P. Shah retire by rotation and being eligible for the reappointment have offered themselves for reappointment.



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DIRECTORS' RESPONSIBILITY STATEMENT

The applicable Accounting Standards have been followed in the preparation of the Annual Accounts and proper explanation has been furnished, relating to material departures.

Accounting policies have been selected and applied consistently and reasonably, and prudent judgements and estimates have been made 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 of the Company for that period.

Proper and sufficient care has been taken 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.

The Annual Accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

A separate report on corporate Governance is furnished along with this report and the Auditors' Certificate regarding the compliance of the said code is annexed there to.

FIXED DEPOSIT:

The Company has not accepted any deposits from the public / directors.

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 EARNINGS AND OUTGO

During the financial year, total foreign exchange used and earned was Rs. NIL/- and Rs. NIL/- respectively.

TECHNOLOGY ABSORPTION

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

AUDITORS

M/s. Govind Prasad & Co. Chartered Accountants, the Auditors of the Company hold office till the conclusion of this ensuing Annual General Meeting and are eligible for reappointment. The Company has received a letter from M/s Govind Prasad & Co. Chartered Accountant to the effect that their appointment as Auditors, if made would be within the limits under Section 224(1-B) of the Companies Act, 1956.

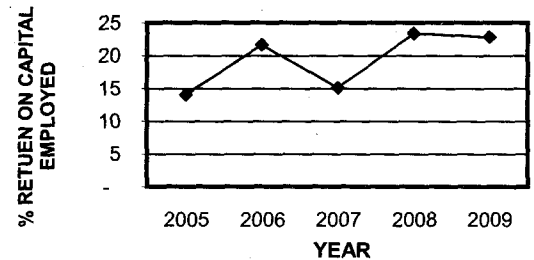
LISTING OF SHARES

The companies Equity Shares are presently listed on Mumbai Stock Exchange.

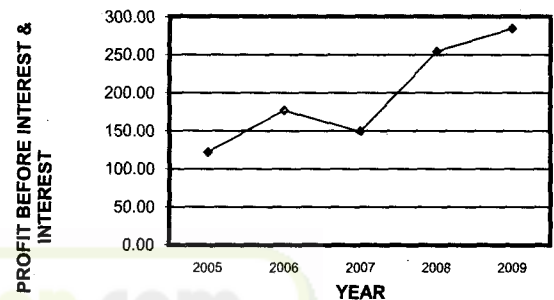
APPRECIATION

The Board wishes to place on record its gratitude to the Company's bankers, consultants, auditors and various Government authorities for their valuable support and guidance. The Board also places on record its sincere gratitude to all stakeholders including shareholders, valued clients, architect, consultant, contractors, suppliers and well wishers for their goodwill, patronage and wholehearted support. The Board also records the concentrated efforts put in and the valuable contribution made by the staff at all levels of your Company and looks forward to their unwavering commitment and teamwork for the all-round progress of the Company.

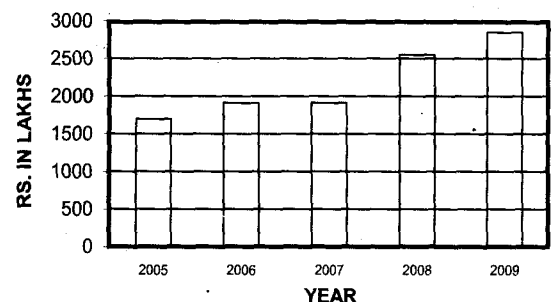
RETURN ON CAPITAL EMPLOYED



PROFIT BEFORE INT, DEP, & TAX



SALES



On behalf of the Board of Directors
For CONART ENGINEERS LIMITED

(Mr. Jitendra S. Sura)
Chairman / Managing Director

Place: Mumbai
Date: 27th June 2009



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AUDITOR'S REPORT

To the Members of **Conart Engineers Ltd.**

1. We have audited the attached Balance Sheet of M/s **Conart Engineers Ltd.** as on 31st March 2009 and also the Profit & Loss Account of the Company and the cash flow statement for the year ended on that date annexed thereto. 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 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. 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 section 227(4A) of the Companies Act 1956, we give in the enclosure a statement on the matters specified in paragraph 4 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanation, 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 such books.
 - (c) The Balance Sheet, Profit & Loss Account and the cash flow statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and cash flow statement dealt with by the report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of the written representation received from the directors as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with 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 the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2009.
 - (ii) in the case of Profit & Loss Account of the **Profit** for the year ended on that date.
 - (iii) in the case of the cash flow statement of the cash flows for the year ended on that date.

For **GOVIND PRASAD & CO.**
CHARTERED ACCOUNTANTS

GOVIND PRASAD
Proprietor
Membership No. 47948

Place: Mumbai
Date : 27th June, 2009

Re: CONART ENGINEERS LTD.

(Referred to in paragraph 3 of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has physically verified certain assets during the year in accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposals during the year.
- (ii) In respect of its Inventories:
 - (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.



- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) In respect of loans, secured or unsecured granted or taken by the Company to or from companies, firms or other parties covered in the register maintained U/S 301 of the Companies Act, 1956. according to the information and explanations given to us
 - a) The Company has taken loans from two parties covered in Register U/S 301 of the Companies Act, 1956 aggregating to Rs. 23,60,000/-
 - b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interests of the Company.
 - c) The payment is made of the principal amount to the parties from whom loans taken by the Company is regular as per the mutual understanding between the parties.
 - d) There is no overdue amount of such loan taken from the aforesaid parties
 - e) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the registered maintained u/s 301 of the Act
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India and according to the information and explanation given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956;
 - (a) To the best of our knowledge and belief and according the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
 - (b) According to the information and explanations given to us, the transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 58A and 58AA of the Act.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209.
- (ix) According to the information and explanations given to us in respect of statutory and other dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities during the year outstanding for more than six months as at the last day of the financial year.
 - (b) The company does not have any disputed amount in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty etc. except ESIC of Rs.2,18,970 for the year 1996-97 against which appeal is pending.
- (x) According to the information and explanations given to us, the company does not have accumulated losses at the end of the financial year. Further, the company has not incurred cash losses in the current year as well as in the immediate preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.
- (xii) According to information and explanations given to us, the company has not granted any loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The nature of the Company's business/activities during the year is such that clauses (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year ended.



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- (xiv) Since the company is also dealing in investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. Also the shares and other securities have been held by the company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee to any banks for loans taken by others.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (xvii) According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa, other than temporary deployment pending application.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xiv) According to the information and explanations given to us, the company has not issued any debentures and hence clause xix is not applicable.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **GOVIND PRASAD & CO.**
CHARTERED ACCOUNTANTS

GOVIND PRASAD

Proprietor
Membership No. 47948

Place: Mumbai
Date : 27th June, 2009

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