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Reg. No.:RQ-91/050

Conart Engineers Limited[®]

where construction engineering becomes an art



40th Annual Report 2013-2014

Conart Engineers Limited®

BOARD OF DIRECTORS

Mr. Jitendra S. Sura

Chairman &
Managing Director

Mr. Tejas V. Sura

Jt. Managing Director
(Resigned w.e.f. 01.06.2014)

Mr. Harshad B. Jhaveri

Independent Director
(Resigned w.e.f. 01.06.2014)

Mr. Haresh V. Patel

Independent Director

Mr. Sevantilal P. Shah

Independent Director

Mr. Pradip R. Sura

Director
(Resigned w.e.f. 01.06.2014)

Mr. Chandrakant R. Patel

Independent Director

Mr. Jimish J. Sura

Executive Director-Finance & CFO
(w.e.f. 26.07.2014)

Mr. Sunil Vakil

Additional Director
(w.e.f. 26.07.2014)

REGISTRAR & TRANSFER AGENT

M/s. Sharex Dynamic (India) Pvt. Ltd.,

Unit 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai - 400 072.
(O) : +91(22)28515606 / 5644
Email : sharexindia@vsnl.com

BANKERS

Bank of Baroda (BOB)
Dena Bank
HDFC Bank
State Bank Of India (SBI)

REGISTERED OFFICE

(Effective from: 26.07.2014)
17, Ground Floor, Jay Bharat Society
Nr. Solanki Palace, 3rd Road Old Khar,
Khar West, Mumbai-400 052.
Maharashtra, India,
Tel.: +91(22)26489621
Email : mumbai@conartengineers.com
Website: www.conartengineers.com

BRANCH OFFICE

Bombay Shopping Centre,
2nd Floor, R. C. Dutt Road,
Vadodara - 390 005
Gujrat , India.
Tel.: +91(265)2330946 / 7122
Email.: celcs @conartengineers.com
Website: www.conartengineers.com

STATUTORY AUDITORS

Goivind Prasad & Co.
Chartered Accountants, Mumbai
F. No. : 114360W

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Conart Engineers Limited[®]

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting of the Shareholders of **CONART ENGINEERS LIMITED** will be held on **Friday 26th September, 2014** at **AOTS ALUMINI ASSOCIATION OF WESTERN INDIA, 3rd floor, India Printing House, 42, G. D. Ambekar Marg, Wadala, Mumbai – 400031, Maharashtra, at 11.00 A.M.** to transact, with or without modification(s) as may be permissible, the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended on that date, the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jimish J. Sura who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Jitendra S. Sura who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint the Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration, and for the purpose, to pass the following resolution, which is proposed as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Govind Prasad & Co., Chartered Accountants, Mumbai, having Registration No. 114360W, be and are, hereby re-appointed as the auditors of the Company and to hold office from the conclusion of this Annual General Meeting till conclusion of the next Annual General Meeting of the Company and that the Chairman/Managing Director of the Company, be and are, hereby authorised to fix their remuneration of the said period and reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties."

SPECIAL BUSINESS:

5. To appoint Mr. Sunil Vakil (DIN: 02527630) as an Independent Director and in this regard 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sunil Vakil (DIN: 02527630), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is, hereby appointed as an Independent Director of the Company to hold office for a term of one year till the conclusion of 41st Annual General Meeting of the Company in the calendar year 2015."

6. To appoint Mr. Chandrakant Patel (DIN: 00315068) as an Independent Director and in this regard 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Chandrakant Patel (DIN: 00315068), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation, be and is, hereby appointed as an Independent Director of the Company to hold office for a term of one year till the conclusion of 41st Annual General Meeting of the Company in the calendar year 2015."

7. To appoint Mr. Haresh Patel (DIN: 01674897) as an Independent Director and in this regard 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Haresh Patel (DIN: 01674897), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation, be and is, hereby appointed as an Independent Director of the Company to hold office for a term of one year till the conclusion of 41st Annual General Meeting of the Company in the calendar year 2015."

8. To appoint Mr. Sevantil Shah (DIN: 00505378) as an Independent Director and in this regard 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sevantil Shah (DIN: 00505378), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation, be and is, hereby appointed as an Independent Director of the Company to hold office for a term of one year till the conclusion of 41st Annual General Meeting of the Company in the calendar year 2015."

9. To consider and if thought fit, pass, with or without modification(s) the following Resolution as Special Resolution for keeping the Statutory records and registers required to be maintained under Section 88 of Companies Act, 2013 at a place other than Registered Office of the Company.

"RESOLVED THAT pursuant to provisions of Section 94 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the "Act") approval of shareholders, be and is, hereby accorded for keeping the Registers required to be maintained under Section 88 along with copies of Annual Return prepared under Section 92 at the Branch Office at 2nd Floor, Bombay Shopping Centre, R.C. Dutt Road, Vadodra 390 007, Gujarat, India instead of the registered office of the Company.

RESOLVED FURTHER THAT Mr. Jimish Sura, Executive Director, be and is hereby authorized to file the copy of the resolution with the Registrar within the prescribed time and to do all the acts, deeds and things which are necessary to give effect to the above said resolution."

By order of the Board of Directors
For Conart Engineers Limited
Jitendra S. Sura
Chairman & Managing Director

Place: Vadodara
Date: 26th July, 2014



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the “Meeting”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxies should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday 15th, September, 2014 to Friday, 26th September, 2014 (both days inclusive).
3. The Explanatory Statement pursuant to Section 102 of the Companies act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
4. Members/Proxies should bring the Attendance Slip/Proxy Form sent herewith, duly filled in, for attending the Meeting.
5. Members desiring any information as regards the Accounts are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the Meeting.
6. Members holding shares in physical form are requested to kindly notify the Company of any change in their addresses so as to enable the Company to address future communication to their correct addresses. Members holding shares in demat form are requested to notify their respective Depository Participant of any change in their addresses.
7. Members are requested to kindly bring their copy of the Annual Report to the Meeting.
8. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of this Annual Report.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or to the Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Pvt. Ltd.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. **Voting through electronic Means (e-voting)**
Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means (e-voting) and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the e-voting instructions.

Explanatory Statement in respect of Special Businesses at item nos. 5 to 9 pursuant to Section 102 of the Companies Act, 2013 ('the Act'):

Item # 5

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Sunil Vakil (DIN: 02527630) as an Additional Director of the Company with effect from 26th July, 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Sunil Vakil would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Sunil Vakil for the office of Director of the Company.

Section 149 of the Companies Act, 2013 stipulates the criteria of independence should a Company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (Five) Consecutive years and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Sunil Vakil that he meets with the criteria of independence as prescribed both under Sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange. Mr. Sunil Vakil possesses appropriate skills, experience and knowledge in the field of finance.

In the opinion of the Board, Mr. Sunil Vakil fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Sunil Vakil is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Sunil Vakil be appointed as an Independent Director.

Mr. Sunil Vakil is interested in the resolution with regard to his appointment.

None of the other Directors / Key Managerial Personnel of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise, in passing of this resolution.

The Board commends the Ordinary Resolution set out at point No. 5 of the Notice for approval by the shareholders.



Item # 6

Mr. Chandrakant Patel (DIN: 00315068) is an Independent Director of the Company and have held the positions as such for 4 (four) years. It is proposed to appoint Mr. Chandrakant Patel as an Independent Director under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange to hold office for a term of one year till the conclusion of 41st Annual General Meeting of the Company in the calendar year 2015.

Mr. Chandrakant Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ('the Act') and has given their consent to act as Director.

The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Chandrakant Patel for the office of Director of the Company.

The Company has also received a declaration from Mr. Chandrakant Patel that he meets with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

In the opinion of the Board, Mr. Chandrakant Patel fulfills the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement with the Stock Exchange. Mr. Chandrakant Patel is independent of the management.

Mr. Chandrakant Patel is interested in the resolution with regard to his appointment.

None of the other Directors / Key Managerial Personnel of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise, in passing of this resolution.

The Board commends the Ordinary Resolutions set out at Item No. 6 of Notice for approval by the shareholders.

Item # 7 & 8

Mr. Haresh Patel (DIN: 01674897) and Mr. Sevantil Shah (DIN: 00505378) are an Independent Director of the Company and have held the positions as such for more than 5 (five) years.

It is proposed to appoint Mr. Haresh Patel and Mr. Sevantil Shah as an Independent Director under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange to hold office for a term of one year till the conclusion of 41st Annual General Meeting of the Company in the calendar year 2015.

Mr. Haresh Patel and Mr. Sevantil Shah are not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given their consent to act as Director.

The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Haresh Patel and Mr. Sevantil Shah for the office of Director of the Company.

The Company has also received declarations from Mr. Haresh Patel and Mr. Sevantil Shah that they meet with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Haresh Patel and Mr. Sevantil Shah fulfills the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Haresh Patel and Mr. Sevantil Shah are independent of the management.

Mr. Haresh Patel and Mr. Sevantil Shah are interested in the resolution with regard to his appointment.

None of the other Directors / Key Managerial Personnel of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise, in passing of the resolution.

The Board commends the Ordinary Resolutions set out at Item No. 7 & 8 of the Notice for approval by the shareholders.

Item # 9

As per the provisions of section 94 of the Companies Act, 2013 the every company is required to maintain the Registers required to be kept under Section 88 of the Companies Act, 2013 and the copies of the Annual Return filed under Section 99 of the Companies Act, 2013 at its Registered Office.

If the company wish to maintain above mentioned documents at the place other than its registered office then the approval of members is required to be obtained by the way of Special Resolution in the General Meeting.

At present all the Registers and Annual Returns are being kept at the Registered Office of the Company. However, the major operations and administration of the Company are being managed by Branch office of the Company located at Vadodara. Thus, for the better administration it is proposed to keep these Registers at the Branch office of the Company at 2nd Floor, Bombay Shopping Centre, R.C. Dutt Road, Vadodara 390 007, Gujarat, India.

None of the other Directors / Key Managerial Personnel of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise, in this passing of the aforesaid resolution.

The Board recommends the Special Resolution set out at Item No. 9 of Notice for approval by the shareholders.

By order of the Board of Directors
For **Conart Engineers Limited**

Jitendra S. Sura
Chairman & Managing Director

Place: Vadodara
Date: 26th July, 2014

Registered Office: 17, Ground Floor, Jay Bharat Society,
Nr. Solanki Palace, 3rd Road Old Khar, Khar West, Mumbai-400052, Maharashtra, India



**BRIEF PROFILE OF DIRECTORS PROPOSED TO BE APPOINTED /
REAPPOINTED, AS REQUIRED IN TERMS OF LISTING AGREEMENT :**

Name of Directors	(1) Mr. Jitendra Sura	(2) Mr. Jimish Sura	(3) Mr. Haresh Patel	(4) Mr. Sevantil Shah	(5) Mr. Chandrakant R. Patel	(6) Mr. Sunil Vakil
DIN	00480172	03096064	01674897	00505378	00315068	02527630
Date of Birth	18.10.1950	05.09.1976	30.08.1956	01.12.1935	28.07.1946	06.05.1957
Date of Appointment	01.12.1978	29.05.2010	14.06.2001	29.10.2002	30.10.2009	26.07.2014
Qualification	Civil Engineer	M.S. in Civil Engineering	Bachelor of Commerce	Mechanical Engineer	M.S. in Civil Engineering	Chartered Accountant
Expertise in specific functional areas	Expertise in the areas of Civil Construction and Engineering	Expertise in the areas of Civil Construction and Engineering	Expertise in the areas of Company Management and Administration	Expertise in the areas of Automobile Engineering	Expertise in Ferrous & Non Ferrous Foundry and Civil Engineering	Expertise in the areas of financial restructuring of corporate through mergers / arrangements and working as financial advisor for various Indian corporates.
List of Public Companies in which Directorships held Chairman / Member of the Committee of the Board of Directors of the Company.	- Conart Engineers Ltd	- Conart Engineers Ltd	- Conart Engineers Ltd.	Conart Engineers Ltd	- Conart Engineers Ltd. - Gujarat Metal Cast Industries Ltd.	- Conart Engineers Ltd.
Chairman / Member of the Committees of Directors of other Companies	Nil	Nil	Nil	Nil	-Gujarat Metal Cast Industries Ltd. <u>Investor Grievance Committee</u> - Member	Nil
No. of Equity Shares held in company	1,51,701	6,12,106	300	Nil	Nil	2,000



e- Voting Instruction

Voting through electronic Means (e-voting)

The instructions for members for voting electronically are as under:-

(1) In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the EVEN for 'Conart Engineers Limited' from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field .

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number for the Conart Engineers Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.



(2) In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Monday, 15th September, 2014 at 9.00 a.m. (IST) and ends on Wednesday, 17th September, 2014, at 6.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

(3) General:

- (a) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
 - (b) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date on 22nd August, 2014.
 - (c) Mr. Devesh Pathak of M/s. Devesh Vimal & Co., Company Secretary in Practice, Vadodara, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (d) The scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
4. The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.sanghiviforge.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
5. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 6.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company.



DIRECTORS' REPORT

To the Members of
CONART ENGINEERS LIMITED

Your Directors have pleasure in presenting their Fortieth Annual Report and the Audited Statement of Accounts for the financial year ended March 31, 2014.

FINANCIAL REVIEW

	(Rs. In lakhs)	
Particulars	2013-14	2012-13
Gross revenue	841.53	2445.99
Total expenditure	864.96	2474.99
Operating Profit	-23.43	-29.00
Other Income	93.00	59.87
Profit Before Interest and Depreciation	69.57	30.87
Interest	6.65	21.12
Depreciation	47.01	46.96
Profit Before Tax	15.91	-37.21
Provision for Taxation		
(a) Current	2.15	15.06
(b) Deferred Tax earlier year written Back	0.00	0.00
(c) Deferred Tax	5.59	-28.67
(d) Fringe Benefit	0.00	0.00
(e) Prior Year Tax Adjustment	0.00	0.00
Profit after Tax	8.17	-23.60
Balance Brought forward from earlier year	836.44	860.04
Amount available for appropriations	844.61	836.44
Appropriation		
Transfer to General Reserve	0.00	0.00
Proposed Dividend	0.00	0.00
Tax on Proposed Dividend	0.00	0.00
Balance carried to Balance sheet	836.44	860.04

PERFORMANCE REVIEW

Your company has been affected by the downturn in global & national economy thus leading to reduced turnover and drop in profitability. 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. This includes recent diversification in the field of Project Management services.

BUSINESS PROSPECTS

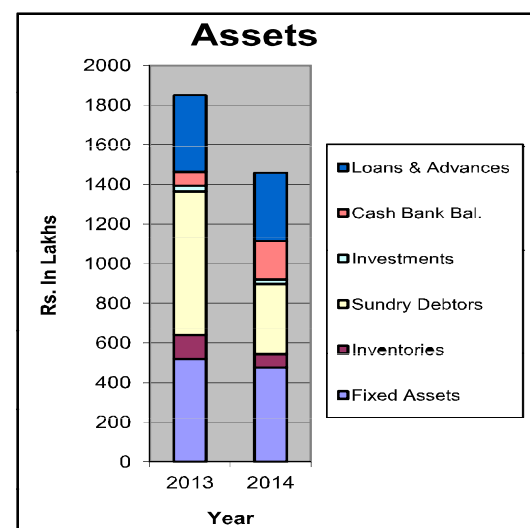
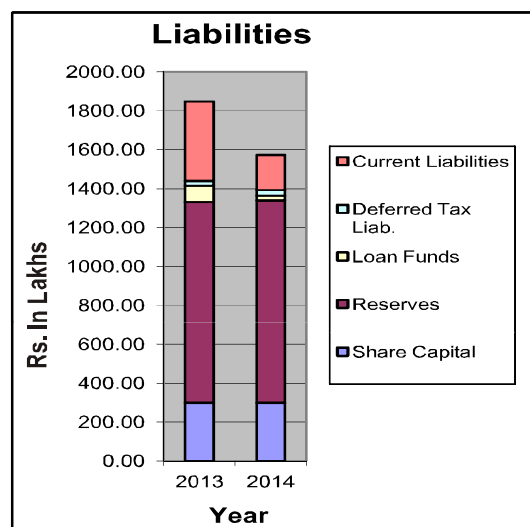
In the current Budget the Government has earmarked huge funds for development of infrastructure. The Government is also committed to boost the Indian economy for overall growth. The company continues to receive inquiries for new projects from existing customers as well as through customer references. 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 Joint Accreditation System of Australia and New Zealand (JAS-ANZ). Your Directors are confident that a bright future lies ahead for 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:**

87.85% of the equity shares of the company are dematerialized as on 31st March, 2014.

DIRECTORS:

In terms of the provisions of Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Jimish Sura and Mr. Jitendra Sura retire by rotation and being eligible for the reappointment have offered themselves for reappointment. The Company has received requisite notices in writing from members proposing Mr. Chandrakant Patel, Mr. Harsh V. Patel and Mr. Sevantilal P. Shah for appointment as Independent Directors.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

1. The applicable Accounting Standards have been followed in the preparation of the Annual Accounts and proper explanation has been furnished, relating to material departures.
2. Accounting policies have been selected and applied consistently and reasonably, and prudent judgments 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.
3. 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.
4. The Annual Accounts for the year ended on 31st March, 2014 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 thereto.

FIXED DEPOSIT:

The Company has not accepted any deposits from the public and its 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 13-14, total Foreign Exchange used and earned was Nil.

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 141(3)(g) of the Companies Act, 2013.

SECRETARIAL AUDITORS

As a measure of good Corporate Governance Practice and as mandated by the Provisions of Companies Act, 2013, the Board of Directors of the Company appointed M/s. Samdani Shah & Associates, a firm of practicing Company Secretaries to conduct the Secretarial Audit for the Financial Year 2014-15.

LISTING OF SHARES

The Company's Equity Shares are presently listed on BSE Ltd, Mumbai.

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.

On behalf of the Board of Directors
For Conart Engineers Limited

Jitendra S. Sura
Chairman / Managing Director

Place: Vadodara
Date: 29th May, 2014

