

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		DIV	NA
TRA	NA		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		

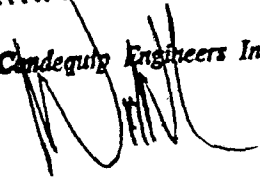
***11th Annual Report.***  
***1996-97***

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**Condequip ENGINEERS INDIA LIMITED**  
Regd. Office: Condequip House, Charkop, Kandvili(w), Mumbai 400 067.

**CERTIFIED TRUE COPY**

**For Condequip Engineers India Ltd.**

  
**Director**

# **Condequip ENGINEERS INDIA LIMITED**

## **11th Annual Report 1996-97.**

**DIRECTORS** : W.A. Fernandes. Chairman.  
Joseph D'souza.  
W.M.Fernandes.  
Paul D'souza.

**AUDITORS** : M/S. SHYAM C AGRAWAL & CO,  
Chartered Accounts,  
3/910-L, Navjivan Society,  
Lamington Road, Mumbai 400 008.

**BANKERS** : Oriental Bank Of Commerce.

**REGISTERED OFFICE** : Condequip House, CTS 413,  
Charkop Village, Kandivili (w),  
Mumbai 400 067.

**WORKS** : R-237, Gansoli, Rabale,  
New Mumbai.

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## **NOTICE**

NOTICE is hereby given that the ELEVENTH ANNUAL GENERAL MEETING of the Members of CONDEQUIP ENGINEERS INDIA LIMITED will be held on Tuesday the 23rd December 1997 at 11 A.M. at Condequip House, CTS 413, M.G Road, Kandivili(w), Mumbai 400067 to transact the following business:-

## **ORDINARY BUSINESS**

- 1) To consider and adopt the Balance Sheet as at 31st March 1997 and the Profit & Loss Account of the Company for the Year ended on that date and the reports of the Board of Directors & Auditor thereon.
- 2) To appoint a Director in place of Shri.W.A.Fernandes who retires by rotation & being eligible offers himself for re-appointment.
- 3) To appoint auditors to hold office from the conclusion of this Annual General Meeting until the Conclusion of the next Annual General Meeting & to fix their remuneration.

## **SPECIAL BUSINESS.**

- 4) To consider and if thought fit, to pass the following Resolution:

RESOLVED THAT pursuant to the provisions of section 61 and other applicable provisions of the Companies Act,1956 and the terms of the listing agreements entered in to with Stock exchanges and having regard to the relevant facts appearing in the explanatory statement issued pursuant to provisions of Section 173 (2) of the Companies Act 1956, the Company be and is hereby authorised to approach the Delhi , Ahmedabad Stock Exchanges for the purpose of delisting of the shares of the Company from each of these two stock Exchanges.

FURTHER RESOLVED THAT the Company be and hereby authorised to delist its shares from the two stock exchanges mentioned herein above subject to compliance as may be required in this regard.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all necessary acts and deeds as may be required to give effect to the above resolution in connection with the delisting of the shares of the company from the two stock exchanges mentioned herein above. The Board is further empowered and authorised to sign and execute such documents and pass such resolutions as may be required in this regard and to accept such conditions and modifications etc. as may be required in this connection"

For and on behalf of Board

DATED: 27th November 1997.

Registered Office:-

Condequip House,

CTS 413, M.G.Road, Kandivili(W),

Mumbai 400 067.

W.A.FERNANDES.

(Chairman.)

**NOTES:**

1) A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF OR SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument of order in order to be effective must be deposited at registered office of the Company not less than 48 hours before the commencement of the meeting.

2) Share Transfer Books of the Company shall remain closed from (Tuesday )16th December 1997 till (Tuesday) 23rd December 1997.(both days inclusive).

3) Members are requested to notify immediately any change in their address to the company's share Transfer division at the Reg.Office of the Company at Condequip House, CTS 413, M.G.Road, Kandivili (w) , Mumbai 400067 and quote their folio number in all their correspondence.

4) Member are requested to bring their copy of Annual Report at the meeting and produce attendance slip at entrance where Annual General Meeting will be held.

5) Member seeking any information as regards to accounts are requested to write to the company at least 10 days in advance so as to enable the company to keep the information ready.

**EXPLANATORY STATEMENT:**

The shares of the Company are listed on the three stock exchanges, viz (I) The Stock Exchange - Bombay ( as Regional stock exchange), (II) The Stock Exchange -Delhi (III) The Stock Exchange- Ahmedabad.

The shares of the company were listed on these three stock exchanges as per stipulations made in the prospects dated 16.02.96. The paid up share capital of the Company is Rs. 4.26 Cores only.

It has been observed that there has been negligible trading in the shares of the Company over the last two years on the two stock exchanges except the regional Stock Exchange at Mumbai. It has been seen that the shares of the Company are traded on The Stock Exchange Bombay by shareholders from the other states of Stock Exchanges even though shares of the Company are listed on the Stock Exchanges in all respective states.

The shares of the Company were initially listed on all the three Stock Exchanges with a view to provide easy and convenient marketability to all the investors in all the parts of the country and specially to the investors of the respective states where the Stock Exchanges are situated.

However on the basis of observation it is found that no beneficial purpose vis-a-vis the shareholder is served by listing of the shares on so many Stock Exchanges. Further, the stock exchanges have also more than doubled their listing fee since last two years, which the Company feels burdensome.

In view of the above facts and circumstances it is found appropriate that the continuation of listing of the shares of the company on The stock Exchanges, Mumbai would serve the purpose and requirement of the investors/shareholders of the Company.

It is further noted that the Stock Exchange, Mumbai is expanding its BOLT terminals in all major cities of the country thereby providing easy liquidity throughout the country.

It is therefore thought appropriate to consider delisting of shares from the Delhi & Ahmedabad Stock Exchanges other than regional Stock Exchanges at Mumbai.

The delisting of shares from the two stock exchanges viz.

1) Delhi Stock Exchange 2) Ahmedabad Stock Exchange if permitted will not in anyway adversely affect the interest of the Company and its esteemed shareholders. The interest of the shareholders is of the paramount importance and due thought has been given to the proposed delisting of shares.

None of the Directors of your company are concerned or interested in the above resolution.

**DIRECTORS' REPORT**

TO  
THE MEMBERS,

Your Directors hereby present their Eleventh Annual Report on the business and operations of the Company and the financial accounts for the year ended 31st March 1997.

**FINANCIAL RESULTS**

	<u>Rupees in lacs</u>	
	CURRENT	PREVIOUS
	YEAR	YEAR
Sales and Other Income	354.21	522.02
Profit/(Loss) before depreciation	(12.73)	16.71
Less depreciation	4.60	4.56
Profit/(loss) Before Taxation	(17.33)	12.15
Less provision for Tax	---	6.00
Profit/ (loss) for the Year	(17.33)	6.15
Add balance brought forward	7.29	1.14
Balance carried forward	(10.03)	7.29

Your company has incurred a loss during the year under review on account of adverse market conditions. The loss have however been minimised on account of constant efforts for improvements in quality, reduction in over head and stringent cost control measures.

Your Directors do not recommend any dividend in absence of profit.

**OPERATIONS**

During the year under review the turnover was Rs.354.21 lacs as against Rs. 522.02 lacs during the previous year on account of the Economic recession prevalent in the National Economy in general and in Capital goods Sector in particular. The trend is likely to continue in the current year. However your Directors are endeavouring to augment the activities by undertaking Operational Service & Maintenance Contracts.

Conti..2..

**DIRECTORS**

In accordance with the provisions of the Companies Act 1956 and the Company's Articles of Association, Shri.W.A.Fernandes retire by rotation and is eligible for reappointment.

**AUDITORS**

M/s. Shyam Agrawal & Co., Chartered Accountants, hold office of the Auditors of the Company until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

**DIRECTOR OF PARTICULARS U/S 217(1) (E) OF THE COMPANIES ACT, 1956**

The Company has setup a research and development department for standardisation and improvement of road construction machinery and its components. Energy consumption is quite moderate and does not justify efforts for further conservation.

**ACKNOWLEDGMENT**

Your Directors are pleased to place on record their appreciation of value contribution, devotion and sense of commitment entered by employees of the Company which inspires confidence to plan for greater access in current financial year. Your Directors also like to place on record its appreciation for the whole hearted support and contribution made by the support and contribution made by the Banks, Central & State Governments & local bodies, distributors, suppliers and other business association towards conduct of efficient operations of your company.

PLACE : MUMBAI

For and on behalf of Board

DATE : 26.11.97

W.A.FERNANDES.

(Chairman.)

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## AUDITORS REPORT

TO THE MEMBER OF *Condequip* ENGINEERS ( INDIA ) LTD

We have audited the attached Balance Sheet of the *Condequip* ENGINEERS ( INDIA ) LTD as at 31st March 1997 and the Profit and Loss account for the year ended on that date annexed there to and report that :

1. As required by manufacturing and other Companies ( Auditor's Report ) order 1988, issued by the Central Government in the terms of section 227(4A) of the paragraph 4 and 5 of the said order is as per annexure.

2. Further to our comments the annexure referred to in paragraph 1 above, we state that :

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 accounts as required by law have been kept by the Company so far as it appears from our examinations of such books.

c. The Balance Sheet and Profit and Loss account dealt with by this report are in accordance with the books of account maintained by the Company.

d. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, given 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 1997 and

ii. In the case of Profit and Loss account of the Loss of the Company for the year ended on that date.

For SHYAM C. AGRAWAL & CO.  
Chartered Accountants.

Place : Mumbai

Dated : 25.11.97

S.C. AGRAWAL

Proprietor

**ANNEXURE TO THE AUDITORS REPORT**

Referred to in paragraph 1 of our report on the accounts for the year ended 31st March 1997 of **Condequip ENGINEERS (INDIA) LTD.**

1. The Company has maintained proper records showing full particulars including quantitative details a situation of Fixed Assets. Fixed Assets were physically verified by the management during the        year. We were informed that no material discrepancies were noticed by management on such        verification.
2. None of the fixed assets has been revalued during the year.
3. The        stock of finished goods, stores spare parts and raw materials have been physically verified by the management during the year.
4. In our opinion, the procedure of physical verification of stock followed by the management are adequate in relation to the size of the Company and the nature of its business.
5. No material discrepancies have been noticed on physical verification of such stocks as compared to book record.
6. On the basis of our examination of stock record, we are of the opinion that the valuation of stores, spare parts and raw materials is fair and proper in accordance with the normally accepted accounting principles.
7. The Company has not taken loans from firm or other parties listed in the register maintained        under section 301 and 370(1B) of the Companies Act, 1956.
8. The Company has granted loans to companies, firm or other parties listed on the register maintained        under section 301 and 370(1B) of the Companies Act 1956. Loans granted by the Company are interest free.
9. In respect of Loans and advances in the nature of Loans, given by the Company the principal amount is generally being repaid as stipulated and payment of the interest wherever stipulated is also regular.
10. The company has adequate system of internal control with regards to purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods commensurate with size of the Company.
11. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, made in pursuance of contracts entered in the register maintained under section 301 of Companies Act, 1956 and aggregating during the financial year of Rs. 50000/- or more in respect of each party have been made at price that are reasonable having regard to prevailing market prices for such goods, material or services have been made with other parties or as available with the Company.
12. According to the information and explanations given to us Company has a procedure for determination of unserviceable or damaged stores and raw materials. Adequate provision has been made in the accounts for the loss arising on the items so determined.
13. The Company has not accepted any deposits from the public during the year within the meaning of section 58A of the companies Act, 1956 and the Companies (acceptance of Deposits) Rule 1975.
14. The Company did not generate any realisable scrap during the period.
15. In our opinion the Company has not an adequate internal audit system commensurate with the size and nature of its business.
16. The maintenance of cost record have not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for the financial year under review.



17. According to the information and explanations given to us and according to the record of the Company the Provident Fund have been deposited during the year.

18. According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Sales tax, Custom duty and Excise duty were outstanding at last date of financial year for a period of more than six months from the date they become payable. (Ref. Note No. 6&7 )

19. According to the information and explanations given to us, no personal expenses have been charged to the revenue account there than those payable under contractual obligations or in accordance with generally accepted business practice.

20. The Company is not a Sick Industrial Company within the meaning of clause (O) of sub section (1) of section 3 of the Sick Industrial Companies (Special Provision) Act, 1985.

21. In respect of service activities.

i. The company has a reasonable system of recording receipts, issues and consumption of material and stores and allocating material consumed to the relative job, commensurate with its size and nature of its business.

ii. There is reasonable system of authorisation at proper levels and adequate system of internal control on issue of stores an allocation of stores and labour to jobs, commensurate with the size of the company and the nature of its business.

22. In respect of the Companies trading activity, we are inform that there are no damaged stock.

For SHYAM C. AGRAWAL & CO.

Chartered Accountants.

Place : Mumbai

Dated : 25.11.97

S.C. AGRAWAL

Proprietor

**Condequip ENGINEERS (INDIA) LTD**

BALANCE SHEET AS AT 31st MARCH 1997

(Amount in Rs.)

	SCH	AS AT 31.03.97	AS AT 31.03.96
<b>I. SOURCES OF FUNDS</b>			
<b>1. SHARE HOLDERS FUNDS</b>			
Share Capital	A	4,26,14,000	1,82,40,000
Share Application Money		-	2,27,31,500
Reserve & Surplus	B	20,75,062	28,04,464
<b>2. LOAN FUNDS</b>			
Secured Loans	C	1,40,12,454	1,40,90,209
Unsecured Loans	D	1,22,55,484	1,49,36,680
Total		7,09,57,000	7,28,02,853
<b>II APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>			
Gross Block	E	1,22,34,990	1,21,23,862
Less Depreciation		13,27,219	8,66,634
Net Block			
<b>2. INVESTMENTS</b>			
	F	1,09,07,771	1,12,57,228
		62,00,000	62,00,000
<b>3. CURRENT ASSETS, LOANS AND ADVANCES</b>			
a. Inventories	G	1,95,24,081	1,79,02,160
b. Sundry Debtors		2,13,79,583	2,88,27,570
c. Cash and Bank Balances		10,21,746	1,80,42,722
d. Loans and Advances		2,23,09,489	44,01,989
		6,42,34,899	6,91,74,441
<b>Less : CURRENT LIABILITIES AND PROVISIONS</b>			
a. Current Liabilities	H	1,28,44,644	1,45,00,734
b. Provisions		21,00,000	21,00,000
NET CURRENT ASSETS		4,92,90,255	5,25,73,707
<b>4. MISCELLANEOUS EXP. ( to the extent not written off or adjusted )</b>			
	I	35,55,177	27,71,918
<b>5. PROFIT AND LOSS A/C.</b>			
		10,03,797	-
Total		7,09,57,000	7,28,02,853
<b>NOTES ON ACCOUNTS</b>			
	Q		

As per our report of even dated  
For SHYAM C. AGRAWAL & CO.  
Chartered Accountants.

For and on behalf of the Board

S.C. AGRAWAL  
Proprietor

CERTIFIED TRUE COPY

For Condequip Engineers India Ltd.

JOSEPH D'SOUZA  
Managing Director

PLACE : MUMBAI  
DATE : 25.11.97

Director

WINSTON FERNANDES  
Director