

18th ANNUAL REPORT
2003-2004



***Condequip* ENGINEERS (INDIA) LIMITED**

Condeqip ENGINEERS (INDIA) LTD

18th Annual Report 2003-2004

DIRECTORS : Joseph D'Souza
Winston Fernandes

AUDITORS : M/s. Shyam C. Agrawal & Co.,
Chartered Accountants,
3/910-L, Navjivan society,
Lamington Road, Mumbai-8.

OFFICE : C/o. Winston Fernandes
A-1, Fair Ville Estate, Plot No. 66,
JVPD Scheme, juhu, Mumbai - 49.

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NOTICE

NOTICE is hereby given that the EIGHTEENTH ANNUAL GENERAL MEETING of the Members of CONDEQUIP ENGINEERS INDIA LIMITED will be held on Tuesday the 14th of September 2004 at 11 A.M. at C/o Winston Fernandes, A-1, Fair Ville Estate, Plot No. 66, 12th Road, JVPD Scheme, Juhu, Mumbai - 49 to transact the following business:-

ORDINARY BUSINESS

- 1 To consider and adopt the Balance Sheet as at 31st March 2004 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 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.

For and on behalf of Board

Dated: 10th August 2004.

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 Thursday 7th September 2004 till Thursday 14th September 2004 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the company's share Transfer division at C/o. Winston Fernandes, A-1, Fair Ville Estate, Plot No. 66, 12th Road, JVPD Scheme, Juhu, Mumbai - 49 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.

Date : 10th August, 2004

DIRECTORS' REPORT

To

The Member,

Your Directors hereby present their Eighteenth Annual Report on the business and operations of the Company and the financial accounts for the year ended 31st March 2004.

FINANCIAL RESULTS.

(Rupees in lacs)

	Current Year	Previous Year
Total Income		
Profit/(Loss) before depreciation	(53.77)	(8.35)
Less : Depreciation		
Profit/(Loss) before Taxation	(53.77)	(8.35)
Less : Provision for tax		
Profit for the year	(53.77)	(8.35)
Add : Balance brought forward	(560.34)	(551.99)
Balance carried to Balance Sheet	(614.11)	(560.34)

Your company has incurred a loss during the year under review on account of adverse market conditions.

DIVIDEND

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

OPERATIONS

During the year Company not made any manufacturing or trading activities, as the earlier conditions still prevailing in the Company.

Settling of OBC : The Banker approached the DRT-II, Mumbai to recover the dues and the management settled the matter outside the court. The settlement amount is Rs. 111.48 lacs and Rs. 26.48 lacs payable as on 31.03.03.

DIRECTORS

In accordance with the provisions of the Companies Act 1956 and the Company's Articles of Association, no Director is liable to retire by rotation at ensuing Annual General Meeting.

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. The Company has received a letter from them to the effect that, their appointment made would be within prescribed limits u/s 224(1B) of The Companies Act, 1956. Accordingly the said Auditor will be appointed as auditor of the Company at the ensuing Annual General Meeting.

PARTICULARS OF EMPLOYEES

No employees of the Company is covered under the provision of section 217(2A) of the Companies Act 1956, read with Companies (Particulars of employee) amendment Rule 1988.

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RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed :

- i). That the preparation of the accounts for the financial year ended 31st March, 2004, 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 were reasonable and prudent so as to give 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 the year under review.
- 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, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv). That the Directors have prepared the accounts for the financial year ended 31st March, 2004 on a going concern basis.

DISCLOSURES OF PARTICULARS U/S 217(1)(e) OF THE COMPANIES ACT, 1956

In accordance with provisions of Section 217(1)(e) of the Companies Act, 1956 the required information relating to conservation of energy, Technology Absorption and Foreign Exchange earnings and Out go is as under :

a. CONSERVATION OF ENERGY.**POWER AND FUEL CONSUMPTION
ELECTRICITY**

Purchase Unit (Nos)	Nil
Total Amount (Rs.)	Nil
Rate / Unit	Nil
Own generation	Nil

b. TECHNOLOGY ABSORPTION

No efforts are made towards the Technology absorption for the business.

c. FOREIGN EXCHANGE EARNING & OUT GO

C.I.F value of Import during the period is Nil

Expenditure in foreign currency during the period is Nil

Place : Mumbai
Date : 09.08.04

For and on behalf of Board

CHAIRMAN.

S.C. AGRAWAL
BCom, (Hons.) L.L.B, F.C.A

Shyam C. Agrawal & Co
Chartered Accountants
3/910-L, Navjivan Society,
Lamington Road, Mumbai -400008.
Phone : (O) 3073538, 8360916 Fax : 3072760

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 2004 and the Profit & Loss Account for the period ended on that date annexed there to. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standard requires 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 statement. 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.
2. As required by the Companies (Auditor's Report) order 2003, issued by the Central Government in the terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclosed in the annexure hereto statement on the matters specified in paragraph 4&5 of the said order.
3. Though the Company has incurred losses in excess of paid up Capital & Reserve. The Accounts have been prepared on going concern basis.
4. Further to our comments the annexure referred to above, we report 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 & Loss Account dealt with by this report are in accordance with the books of accounts.
 - d. In our opinion the Balance Sheet and Profit & Loss Account and Cash Flow Statement comply with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.

S.C.AGRAWAL

Bcom, (Hons.) L.L.B, F.C.A

Shyam C. Agrawal & Co

Chartered Accountants

3/910-L, Navjivan Society,

Lamington Road, Mumbai -400008.

Phone : (0) 3073538, 8380916 Fax : 3072760

- e. On the basis of written representation received from the Directors, as on 31st March, 2004 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2004 from being appointed as Director in term of clause (9) of sub-section (1) of section 274 of the Companies Act 1956.
- f. In our opinion and to the best of our information and accordance to the explanations given to us, the said accounts read with and subject to the notes to the accounts (Regarding non provision of Sales Tax, Income Tax and PF, ESIC and Bad & Doubtful debts, retirement benefits)
 - i. In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2004 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 : 09.08.04

S.C. Agrawal
Proprietor

S.C. AGRAWAL

BCom, (Hons.) L.L.B, F.C.A

Shyam C. Agrawal & Co

Chartered Accountants

3/910-L, Navjivan Society,

Lamington Road, Mumbai -400008.

Phone : (O) 3073538, 8360916 Fax : 3072760

ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 1 of our report on the accounts for the year ended 31st March 2004 of *Condequip Engineers (India) Ltd*

In respect of fixed asset.

1. According to the information and explanation given to us, the Company has disposed off / written off, Office Premises and Plant & Machinery, asset like Computer, Office Equipment, Furniture & Fixtures during the year and as found worthless.
2. The Company has no stock of finished goods, stores spare parts and raw materials.
- 3 (i) The Company has not taken any loans secured or unsecured from Companies, firm or other parties listed in the register maintained under section 301 and 370(1B) of the Companies Act, 1956 during the year.
(ii) The Company has not granted any loan. The Company has not received any interest on the loan, other terms and conditions on which loan have been granted is not prejudicial to the interest of the Company.
- 4 In our opinion and according to the information and explanation 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 fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weakness in internal controls.
- 5 In our opinion and according to the information and explanation given to us, transactions made in pursuance of contracts or arrangements, that needed of contracts or arrangement, that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956, have been so entered.
6. 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.
7. In our opinion, the internal audit system commensurate with the size and nature of its business.
8. As inform to us, the maintenance of cost record have not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 in respect of the activities carried on by the Company.
9. According to the information and explanations given to us, undisputed amounts payable in respect of PF – Nil, Sales Tax – 1,22,71,367/- Income Tax – Rs. 58,58,073 aforesaid dues were outstanding as at 31st March, 2004 for a period or more than six months from the date they becoming payable.

S.C.AGRAWAL

Bcom, (Hons.) L.L.B, F.C.A

Shyam C. Agrawal & Co

Chartered Accountants

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10. The Company has accumulated losses of Rs. 6,14,11,001/- exceeding the net worth.
11. The Company has defaulted in repayment of dues to a Bank as per the one time settlement with the bank the Company is repaying the loan. As on 31st March, 2004 Rs. 26,47,800/- is payable to the Bank. The Company has not having any activity during the year.
12. In our opinion and according to the information and explanation given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of share, debenture and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the Company.
14. In our opinion and according to the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investment. According to the provision of the clause 4 (xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
15. As informed to us, the Company has not given any guarantees for loans taken by others from Banks or financial institutions.
16. The Company has not raised any new term loans during the year.
17. According to the information and explanation given to us and on overall examination of the Balance sheet of the Company, we report that no funds raised on short term basis have been used to finance short term assets.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not raised any money by way of public issue during the year.
20. The Company has not accepted any deposit 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.
21. During the course of our examination of the books and records of the Company, carried in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For SHYAM C. AGRAWAL & CO.
Chartered Accountants.

Place : Mumbai

Dated : 09.08.04

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S.C. AGRAWAL
Proprietor