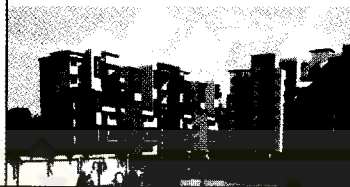


# 20th

## Annual Report 2004-05

Eldeco Eden Park



Eldeco Park View

Eldeco Towne



**ELDECO**  
HOUSING AND INDUSTRIES LTD.

# Eldeco Housing and Industries Limited

## BOARD OF DIRECTORS

Shri S. K. Garg  
Shri Srikant Jajodia  
Shri O. P. Bajaj  
Wg. Cdr. (Retd) V. K. Garg  
Shri Pankaj Bajaj  
Shri N. K. Sharma  
Shri L. N. Sharma  
Shri. J. P. Bhargava  
Shri Manoj Singhal  
Shri Arvind Bajaj

Chairman & Managing Director  
Whole Time Director  
Director  
Director  
Director  
Director  
Director  
Director  
Director

## COMPANY SECRETARY

Sonia Reetesh Arora

## REGISTRAR AND SHARE TRANSFER AGENT

M/s Skyline Financial Services Pvt. Ltd.

123, Vinoba Puri, Lajpat Nagar - II

NEW DELHI - 110024

## BANKERS

Punjab National Bank  
HDFC Limited  
Union Bank of India

## DIVISIONS

A-1/153, 1st Floor  
Safdarjung Enclave  
NEW DELHI - 110 029

## AUDITOR

M/s Doogar & Associates  
Chartered Accountants  
13, Community Centre, East of Kailash  
NEW DELHI - 110 065

15/54 B, Civil Lines,  
Virendra Smriti Complex,  
KANPUR - 208 001

## REGISTERED OFFICE

First Floor, Pragati Kendra,  
Kapoorthala Complex, Aliganj  
LUCKNOW - 226 024.

## HEAD OFFICE

28/2, First Floor, Sanjay Place,  
AGRA - 282 002

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# Eldeco Housing and Industries Limited

## NOTICE

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the Members of the Eldeco Housing and Industries Limited will be held on Wednesday, the 30<sup>th</sup> day of November, 2005, at 3.00 p.m. at Hotel Taj Residency, Vipin Khand, Gomti Nagar, Lucknow-226010 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2005 and the Profit & Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To declare dividend on Equity Shares for the year ended on 31<sup>st</sup> March, 2005.
3. To appoint a director in place of Shri N. K. Sharma who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a director in place of Shri O. P. Bajaj who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a director in place of Shri V. K. Garg who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the Board to fix their remuneration.

The present Statutory Auditors M/s Doogar and Associates, Chartered Accountants, New Delhi, are holding the office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

2

For and on behalf of the Board  
For **Eldeco Housing and Industries Ltd.**

**Sonia Reetesh Arora**

Company Secretary cum Manager (Accounts)

Date : 14<sup>th</sup> October, 2005  
Place: Lucknow

### Notes

#### A. Appointment of Proxy:

A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself and the PROXY need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company so as to reach the registered office of the Company at First Floor, Pragati Kendra, Kapoorthala Complex, Aliganj, Lucknow, not less than 48 hours before the time fixed for commencement of the Meeting.

#### B. Corporate Members

Corporate Members intending to send their authorised representative are requested to send a duly certified copy of the Board Resolution authorizing the representative to attend and vote at the Annual General Meeting.

C. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting and to submit the duly filled and signed admission slips.

# Eldeco Housing and Industries Limited

**D. Queries at the AGM**

Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.

**E. Book Closure**

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 26<sup>th</sup> November 2005 to Wednesday, 30<sup>th</sup> November, 2005 (both days inclusive) for the purpose of the Annual General Meeting and payment of dividend, if any.

F. Members are requested to notify any change in their address/ mandate/ bank details immediately to the Registrar and Share Transfer Agent of the Company- M/s Skyline Financial Services Pvt. Ltd., New Delhi.

**G. Inspection of Documents**

Documents referred to in the Notice etc., are open for inspection at the registered office of the Company on all working days except Saturdays, between 11 A.M. and 2 P.M. up to the date of the Annual General Meeting.

H. The dividend on Equity Shares as recommended by the Board of Directors, if declared at the Meeting, will be payable to those shareholders whose names appear on the Company's Register of Members and the data base of the Company's Registrar and Share Transfer Agent (M/s Skyline Financial Services Pvt. Ltd., New Delhi) as on 30th November, 2005 after entertaining all valid requests for transfer of shares lodged with the Company Registrar and Share Transfer Agent of the Company on or before 25<sup>th</sup> November, 2005.

In respect of the shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) for this purpose.

**I. Transfer of unclaimed dividend**

The Company has transferred the unclaimed dividend for the financial year 1996-97 to the Investors Education and Protection Fund, in the month of January, 2005, in terms of the provisions of Section 205A of the Companies Act, 1956.

**J. Schedule for transfer of unclaimed dividend to the Investors' Fund:**

Financial Year Ended	Rate	Date of Declaration	Last Date for Claiming	Last Date for Transfer to IEPPF
31.3.1998	5%	12/10/1998	29/11/2005	29/12/2005
31.3.1999	10%	15/11/1999	02/01/2007	01/02/2007
31.3.2000	10%	15/11/2000	22/12/2007	21/01/2008
31.3.2001	10%	29/11/2001	04/01/2009	03/02/2009
31.3.2002	10%	30/12/2002	04/02/2010	06/03/2010
31.3.2003	10%	30/12/2003	04/02/2011	06/03/2011
31.3.2004	10%	17/11/2004	24/12/2011	23/01/2012

K. In terms of provisions of Section 205A of the Companies Act, 1956, the amount of dividend for the financial year 1997- 98 that still remains unclaimed is required to be transferred to the Investors Education and Protection Fund on or after 30<sup>th</sup> November, 2005. Any shareholder who has not encashed the dividend warrants for the financial year 1997-98 and onwards may claim the same immediately. Please note that the unclaimed dividend once transferred to Investors Education and Protection Fund cannot be claimed by the shareholders.



# Eldeco Housing and Industries Limited

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twentieth Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31<sup>st</sup> March, 2005.

### Financial Highlights

(Rs. in Lacs)

Particulars	Financial Year ended	
	31 <sup>st</sup> March' 05	31 <sup>st</sup> March' 04
Turnover & Other Income	4106.16	3309.89
Profit before depreciation & taxes	642.51	281.78
Less: Depreciation	21.08	19.59
Profit before tax	621.44	262.19
Less: Provision for tax		
(i) Current	97.00	96.00
(ii) Deferred	-4.13	0.19
Profit After Tax	528.56	165.99
Previous Balance in Profit & Loss Account	474.03	356.26
Adjustments related to previous year	0	0
Profit available for appropriation	1002.59	522.26
Less: Proposed dividend	19.67	19.67
Tax on proposed dividend	2.76	2.57
Transfer to General Reserve	30	26.00
Balance in Profit & Loss Account	950.17	474.03
Earning per share (Rs.)	26.88	8.44
Dividend per share (Rs.)	1.00	1.00

### Year in Retrospect

#### Turnover

During the year under review, the company recorded a turnover and other income of Rs. 4106.16 lacs as against Rs. 3309.89 lacs in 2003-04 registering an increase of Rs. 796.27 lacs.

#### Profitability

The Company has earned Profit before Depreciation and tax amounting to Rs. 642.51 lacs as compared to Rs. 281.78 lacs in the preceding year. After providing for interest, depreciation and taxation amounting to Rs. 213.13 lacs (previous year Rs.223.18 lacs) the balance available for appropriation, after adding tax adjustments relating to earlier years and surplus brought forward from the previous year is Rs. 1002.59 lacs (previous year Rs.522.26 lacs). The increase in profitability is approximately Rs. 362.57 lacs as compared to the preceding year.

#### Business Prospects

During the year under review the Company completed and handed over its venerated project at Kanpur in the name of Alishan Apartment. Also the other projects viz. Park View Apartments, Suraksha Enclave and Sanskriti Enclave, Lucknow are nearing completion. Works on remaining projects is also going as per schedule.

#### Future Outlook

During the first quarter of the current year the Company has recorded a sales turnover of Rs. 678.58 lacs as against Rs. 717.63 lacs, in the first quarter turnover in the preceeding year.

During this period the Company launched four new projects with overwhelming customer response and the Company is also planning and stepping towards the launch of few other projects in the near future.

# Eldeco Housing and Industries Limited

The Company has tied up several new projects in Lucknow with an estimated value of more than Rs 250 Crores, which will be launched in the ensuing years and will add up considerably to the turnover and profitability of the Company. With the ongoing projects and new projects in hand your directors are hopeful to maintain the growth trend during the ensuing years.

## **Material Changes etc.**

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31<sup>st</sup> March, 2005 and the date of this Report.

## **Dividend**

Your Directors propose to maintain an Equity Dividend of 10% for the financial year ended on 31st March 2005. The Dividend, if approved by you at the forthcoming Annual General Meeting will absorb Rs. 19.67 lacs.

## **Un-claimed Optionally Convertible Bonds**

17.5% Unsecured Optionally Convertible Bonds for Rs. 30,000 remained unclaimed, despite several reminders to the concerned bondholders by the Company. The aforesaid unpaid amount, if not claimed by 24<sup>th</sup> December 2005, will be transferred to the Investors Education and Protection Fund.

## **Public Deposits**

As at 31st March, 2005 the Company held Fixed Deposits of Rs. 232 lacs from the Public, Shareholders and Employees, out of which deposits for Rs. 17.7 lacs, due for repayment on or before 31st March, 2005 were not claimed by depositors as on that date.

## **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

- **Conservation of Energy:** Your Company is conscious about energy consumption and environmental issues related with it. It is continuously making sincere efforts towards conservation of energy and optimizing its usage in all aspects of operations.
- **Technology Absorption:** The Company is taking advantage of the latest developments and advancements in the Construction Industry. The Company is using indigenous technology which is well established in the Country and no foreign technology/ know how was purchased. However, the Company has not incurred any R & D expenditure during the year.
- **Export Activities:** There was no export activity in the Company during the year under review. The company is not planning any export in the near future, as well.
- **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange Earning and Outgo during the year under review.

## **Particulars of Employees**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

## **Directors**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Shri N. K. Sharma, Shri O. P. Bajaj and Shri V. K. Garg, directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Directors recommend their re-appointment.

## **Auditors**

M/s Doogar and Associates, Chartered Accountants as Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

## **Auditors' Report**

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

# Eldeco Housing and Industries Limited

## Secretarial Compliance Certificate

In terms of the provisions of section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, the Company has obtained the necessary Compliance Certificate from M/s R & D, Company Secretaries, New Delhi. The Compliance Certificate is annexed herewith and forms part of this Report. Comments made in the Compliance Certificate are self-explanatory and do not require any further clarification.

## Directors' Responsibility Statement

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2005 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

## Listing

- 6 The Equity shares of the Company are presently listed at Bombay and Kanpur Stock Exchanges. The Company has already paid listing fees to these Stock Exchanges for the financial year 2005-06.

## Corporate Governance

Since the paid-up share capital of the Company is below Rs. 3.00 crore, provisions of clause 49 of the Listing Agreement relating to the Corporate Governance are not applicable to your Company. However, the Company strives hard to observe good corporate practices to enhance the stakeholders' value.

## Acknowledgement

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from the Bankers and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on behalf of the Board  
For **Eldeco Housing and Industries Ltd.**

Date : 14<sup>th</sup> October, 2005

Place: Lucknow

**SK Garg**  
Chairman & Managing Director

# Eldeco Housing and Industries Limited

## Annexure to the Directors' Report

### SECRETARIAL COMPLIANCE CERTIFICATE

Company No. : 20-7062

Nominal Capital : Rs.10.00 crore

The Members of  
Eldeco Housing and Industries Ltd.  
First Floor, Pragati Kendra,  
Kapoorthala Complex, Aliganj,  
LUCKNOW -226 024

We have examined the registers, records, books and papers of Eldeco Housing and Industries Ltd, Lucknow (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under, the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2005. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the financial year ended on 31<sup>st</sup> March, 2005:

1. The Company has kept and maintained registers as stated in "Annexure: A" to this Certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in "Annexure: B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under save as mentioned in the aforesaid "Annexure: B".
3. The Company is a public limited company.
4. The Board of Directors duly met 14 (fourteen) times on 2<sup>nd</sup> April, 2004, 29<sup>th</sup> April, 2004, 18<sup>th</sup> May, 2004, 5<sup>th</sup> July, 2004, 31<sup>st</sup> July, 2004, 23<sup>rd</sup> September, 2004, 1<sup>st</sup> October, 2004, 14<sup>th</sup> October, 2004, 30<sup>th</sup> October, 2004, 17<sup>th</sup> November, 2004, 14<sup>th</sup> December, 2004, 15<sup>th</sup> January, 2005, 31<sup>st</sup> January, 2005, 30<sup>th</sup> March, 2005 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed, in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members on 16<sup>th</sup> and 17<sup>th</sup> November, 2004 and necessary compliance of section 154 of the Act has been made. The Company did not have any debentures.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2004 was held on 17<sup>th</sup> November, 2004 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors and/or persons or firms or companies referred to in section 295 of the Act.
9. The Company has not entered into any contract falling under section 297 of the Act.
10. The Company has made necessary entries in the register(s) maintained under section 301 of the Act.
11. There was no case falling under section 314 of the Act.
12. Duly constituted Committee of the Board has approved the issue of duplicate share certificates.
13. a. The Company has delivered all the certificates on lodgments thereof for transfer etc. in accordance with the provisions of the Act.



# Eldeco Housing and Industries Limited

- b. The Company has deposited the amount of final dividend declared in a separate bank account on 18<sup>th</sup> November, 2004, within 5 days from the date of declaration of such dividend.
  - c. The Company has posted dividend warrants within a period of 30 days from the date of declaration. The Company has transferred unclaimed/unpaid dividend to Unpaid Dividend Account with Syndicate Bank, Lucknow. Instructions were given to change the nomenclature of the dividend account with the Bank to Eldeco Housing and Industries Ltd Unpaid Dividend Account 2003-2004 with effect from 22<sup>nd</sup> December, 2004 for balance amount remained un-claimed/un-paid.
  - d. The Company has transferred the amount in un-paid dividend account for the financial year 1996-97, which has remained un-claimed or un-paid for a period of seven years to the Investor Education and Protection Fund.
  - e. The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. Appointment/re-appointment of director(s)/ additional director(s), etc., has been duly made.
  15. Appointment of Mr Srikanth Jajodia as whole time director of the Company has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.
  16. The Company has not appointed any sole-selling agents during the financial year.
  17. The Company has obtained approval of the Registrar of Companies, Uttar Pradesh and Uttaranchal at Kanpur for extension of time to hold annual general meeting for the financial year ended 31<sup>st</sup> March, 2004 upto 31<sup>st</sup> December, 2004. The Company did not obtain any other approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies or other prescribed authorities under the various provisions of the Act during the financial year.
  18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
  19. The Company has not issued any new shares during the financial year.
  20. The Company has not bought back any shares during the financial year.
  21. The Company has not redeemed any preference shares or debentures during the financial year.
  22. The Company was not required to keep in abeyance rights to dividend pending registration of transfer of shares. There was no rights issue and bonus issue.
  23. The Company has complied with the provisions of sections 58A & 58AA read with the Companies (Acceptance of Deposit) Rules, 1975, the applicable Directions issued by the Reserve Bank of India and other authorities in respect of deposits accepted and renewed during the financial year. The Company has filed Advertisement with the ROC on 4<sup>th</sup> November, 2004. The Company has also filed Return of Deposits with the ROC on 29<sup>th</sup> June, 2004.
  24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others was within the borrowing limits of the Company.
  25. The Company has complied with applicable provisions of the Act in making loans and investments or giving guarantees or providing securities to other bodies corporate and has made necessary entries in the register kept for the purpose.
  26. The Company has not altered the provisions of the Memorandum with respect to situation of the Registered Office of the Company from one State to another during the year under scrutiny.

Eldeco Housing and Industries Limited

27. The Company has not altered the provisions of the Memorandum with respect to the Objects Clause of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the Name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the Authorised Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under review.
31. The Company has received a show cause notice no. 10/7/16/Scrutiny/UP/2003 dated 17<sup>th</sup> June, 2004 from the Office of the Regional Director, Ministry of Company Affairs in which some non-compliance of certain provisions of the Act were pointed out. The Company has replied the same vide its letter dated 6<sup>th</sup> June, 2005. No prosecution was initiated against the Company for alleged offenses under the Act. Similarly, no fines, penalties or punishment was imposed on the Company under the Act during the financial year.
32. The Company has not received any amount as security from its employees in terms of section 417(1) of the Act.
33. Since the Company has not constituted any provident fund under section 418 of the Act, provisions of section 418 are not applicable to Eldeco Housing and Industries Ltd.

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**For R&D**  
Company Secretaries

Date : 14<sup>th</sup> October, 2005  
Place: Lucknow

**Purnima Sharma**  
ACS: 19216; CP: 6985