



# ANNUAL REPORT

17TH



Building, Constructions & Media

Bombay Stock Exchange Listed co.  
( ISO 9001 : 2000 )

2006

2010



**FACT ENTERPRISE LIMITED**

17 TH

ANNUAL REPORT

2009-2010

**CORPORATE INFORMATION**

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**BOARD OF DIRECTORS**

Mr. Rajiv Kashyap	- Chairman cum Managing Director
Mr. Dattapal C. Neroy	- Director
Mr. Praful Sadanand Rane	- Director
Mr. Varun S.Gautam	- Director

**REGISTERED OFFICE** 51, Juhu Supreme Shopping Centre,  
Gulmohar Cross Road No.9, Andheri (W), Mumbai – 400 049.

**AUDITORS** M.V. DAVE & CO.  
Chartered Accountants, Mumbai

**BANKERS** Allahabad Bank, J.V.P.D Scheme  
Oriental Bank of Commerce, Kandivali, Mumbai  
Union Bank of India, Ville Parle (E), Mumbai  
Union Bank of India, Malad (W), Mumbai

**REGISTRAR &  
SHARE TRANSFER  
AGENT** Big Share Services Pvt. Ltd, E-2/3, Ansa Industrial Estate,  
Saki-Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.

**CORPORATE  
IDENTIFICATION  
NUMBER(CIN)** L67190MH1993PLC071166

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## **CHAIRMAN'S ADDRESS TO SHAREHOLDERS**

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Dear Shareholders,



It gives me great pleasure to welcome all of you at the 17<sup>th</sup> Annual General Meeting of YOUR COMPANY.

The Year 2009-2010 was exceptionally challenging and historical year for the world economy. The Global financial crisis had a significant impact on the economic environment across all the industry sectors and markets.

We are seeing continuously global financial crisis across the world. India, being a 3<sup>rd</sup> largest Economy in the World has shown a good corporate performance which has driven the growth of our economy. Real estate sector have seen a phenomenal demand for good commercial as well as residential projects which helped companies like us to survive in the economic downturn.

By now you have had the opportunity to go through the audited annual accounts for financial year 2009-2010.

In the Financial Year 2008-2009, YOUR COMPANY'S performance had post a Net profit of Rs. 493. 55 crores with the Earning Per Share of Rs. 9.78. As we know the fact that slowdown in global economy has led to decrease in Turnover as well in profits. I would like to present in front all of you financial figures of this financial year where YOUR COMPANY'S Turnover has gone down and Earning Per Share has gone down to Rs. 1.03 from Rs. 9.78 of last year. I assure that YOUR Company's next financial performance will be substantially high in terms of Profits and turnover. Company has also raised Rs. 350 to 400 lacs by issuing equity shares on preferential basis which has resulted a lower Earning Per Share.

In the backdrop of the falling global financial market and difficult scenario for Real Estate Companies, YOUR COMPANY under trying circumstances was focused on execution and demonstrated its capability by launching various construction projects. Company as also ventured into Media Segment where company has successfully launched various teen pageants like "Fact Universal Teen Pageant", Fact Supermodels

## **CHAIRMAN'S ADDRESS TO SHAREHOLDERS**

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etc. Company has also tied up with one of the known production house to produce movies. This diversification in media industry will give us good results and returns in years to come.

M/s. Fact Enterprise Limited enjoys excellent relations with its clients and with numerous institutions in and outside India. The Company has tremendous financial and managerial capabilities and our main stream of business is construction. The quality and reliability of the business has earned the company an enviable reputation and goodwill. We believe in successfully completing all the assignments in a fixed and precise time frame.

Synergy and combination of capital intensive and time extensive projects gives YOUR COMPANY good profits and value for money. Due to this unique combination, costs of our projects are very low and the profits are high.

At the end, I would like to reinforce the uniqueness of our business model and various strategies will be to focus on executions and create wealth for shareholders. I take this opportunity to thank all the shareholders, customers, suppliers, bankers and employees for their continued support and co-operation. We share an everlasting bond with each other. I thank all my colleagues on the Board for their unanimous support and immense encouragement.

I am sure that with your best wishes and confidence shown in our capabilities, the Company will achieve new milestones.

With Best Wishes,

Sd/-

Chairman  
Place: Mumbai

Date: 14<sup>th</sup> July, 2010.

## **NOTICE TO THE MEMBERS**

**Notice** is hereby given that the Seventeenth Annual General Meeting of **FACT ENTERPRISE LIMITED** will be held on Monday, 16<sup>th</sup> August, 2010 at 12.30 Noon at the Conference Hall, Juhu Supreme Shopping Centre, JVPD Scheme, Andheri(w), Mumbai – 400049 to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider, approve and adopt the audited Balance Sheet as on 31<sup>st</sup> March 2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividends on equity shares.
3. To appoint Director in place of Mr. Dattapal C Neroy, who retires by rotation and being eligible offers himself for re-appointment.
4. To reappoint Auditors and fix their remuneration.

### **SPECIAL BUSINESS :**

#### **5. Issue and allot Equity Shares / Warrants on preferential basis**

To consider and, if thought fit, to pass with or without modification, the following resolution as Special Resolution

**“RESOLVED THAT** subject to the approval of the member at their general meeting and pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to any approval, consent, permission and / or sanction of the appropriate authorities, (hereinafter collectively referred to as “the appropriate authorities”), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and / or sanction (hereinafter referred to as “the requisite approvals”), and which may be agreed to by the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), the Board be and is hereby authorized to create, offer, issue and allot, from time to time in one or more tranches, Equity Shares and/or Warrants entitling to apply for equity shares to be subscribed by domestic / foreign institutions, institutional investors, banks, mutual funds, insurance companies, bodies corporate, individuals or other entities, whether or not such investors are Members of the Company, under a preferential issue through offer letter and/or circular and/or information memorandum and/or such other documents / writings, in such a manner and on such terms and conditions as may be determined by the Board in its absolute discretion; provided that the price of the Equity Shares so issued shall not be less than Rs. 38/-(including a premium of Rs 28) per equity share of Rs10/- each being the price with respect to the Relevant Date i.e 16th July 2010, as prescribed under the

## **NOTICE TO THE MEMBERS**

ICDR Regulations, 2009 for Preferential Issues contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009 including any statutory modification or re-enactment thereof for the time being in force.

**RESOLVED FURTHER THAT** the Equity Shares allotted in terms of this resolution shall rank pari passu in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said Securities, utilisation of the issue proceeds, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, or Executive Director or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution.”

FOR AND ON BEHALF OF THE BOARD

Sd/-

**(RAJIV KASHYAP)**  
MANAGING DIRECTOR

Place: Mumbai

Date: 14<sup>th</sup> July, 2010.



1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE IN HIS OR HER PLACE AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Register of the Company shall remain closed from 14<sup>th</sup> August 2010 to 18<sup>th</sup> August 2010 (both days inclusive).
3. Members are requested to notify immediately any change in their address along with pin code numbers to the company or the share transfer agent of the company Registrar & Share Transfer Agent, Big Share Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki-Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.
4. Individual shareholders can take the facility of nomination. For further detail in this regard shareholders may contact share transfer agent of the Company.
5. The shares of the Company are transacted in compulsory dematerialized form. Shareholders are requested to convert their shares in Demat form at the earliest possible.
6. Members are requested to quote their account/folio no. in all correspondence with the company.
7. Members attending the annual general meeting are requested to bring along their copies of the annual report, as the same will not be distributed at the meeting.
8. Members desiring any information on the Accounts are requested to write to the company at least one week before the meeting so as to enable the management to keep the information ready at the meeting.

BY ORDER OF THE BOARD,  
For FACT ENTERPRISE LTD

Sd/-

**Place:** Mumbai  
**Dated:** 14<sup>th</sup> July, 2010.

**Mr. RAJIV KASHYAP**  
**CHAIRMAN & MANAGING DIRECTOR**

**ANNEXURE TO THE NOTICE:****EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACTS, 1956.**

The following Explanatory Statement sets out the material facts relating to the business under items 5 of the accompanying Notice:

Our promoter Mr. Rajiv Kashyap and our management have a vast knowledge and experience in the real estate Industry. The company is in the business of construction, development and redevelopment of buildings, shopping complexes e.t.c. The management of the Company has analyzed the real estate Industry. There is an ample growth in the projects like of construction of commercial/residential and retail malls. The management of the Company would like to capture the opportunity available in the market. There is a need of a fund to capture the opportunity available in the market. The management of the Company decided to go for a preferential issue with the consent of the shareholders.

**Objects of the Issue through Preferential offer is given as under:-**

The Company found the growth opportunities in real estate business, and would like to expand in the real estate sector. The management of the Company has analyzed some projects which will require a fund of Rs. 20 crores. For this purpose and for general corporate purposes, as may be decided by the Board in the best interest of the company, it is proposed to issue 40,75,000 Equity shares / warrants entitling to apply for equity shares of company to Promoters and certain corporate bodies, who are strategic investor of Company as details given below on a preferential allotment basis, in terms of the ICDR Regulations, 2009 for Preferential Issues contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009 (herein referred to as the "Preferential Issue Regulations"), including any statutory modification or re-enactment thereof for the time being in force.

**The details of the issue and other particulars as required in terms of the Preferential Issue Regulations are given as under:**

- 1. Securities to be issued:** The resolution set out in the accompanying Notice is an enabling resolution, entitling the Board to issue equity shares or warrants entitling to apply for equity shares as may be deemed appropriate in the best interest of the Company.
- 2. Pricing of the Equity Shares / Warrants:** Each equity share of the face value of Rs. 10, including the equity shares arising out of the exercise of option attached to warrants, shall be issued at a price not being less than Rs. 38 (including a premium of Rs.28) per equity share.