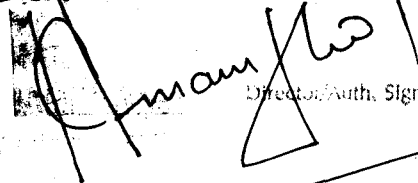


# ANNUAL REPORT 2001-2002

For GCCL Construction & Realities Ltd.

  
Director/Auth. Signatory

Report  junction.com



**GCCL CONSTRUCTION & REALITIES LIMITED**  
**AHMEDABAD**

## **GCCL CONSTRUCTION & REALITIES LIMITED**

**BOARD OF DIRECTORS** : SHRI BAHUBALI S. SHAH - DIRECTOR  
SHRI AMAM S. SHAH - DIRECTOR  
SHRI HIMANSHU J. KAMDAR - DIRECTOR  
SHRI ASHOKKUMAR DAMANI - DIRECTOR  
SHRI NIRANJAN JHAVERI - DIRECTOR

**AUDITORS** : M/S. DINESH R. SHAH & NANAVATI  
CHARTERED ACCOUNTANTS  
51-MADHUBAN,  
NR. RLY. CROSSING  
ELLISBRIDGE  
AHMEDABAD - 380 006

**REGD. OFFICE** : 606, SAKAR-I,  
OPP. NEHRU BRIDGE,  
ASHRAM ROAD,  
AHMEDABAD - 380 009

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# GCCL CONSTRUCTION & REALITIES LIMITED

Regd. Office : 606, "SAKAR"-1, Opp. Nehru Bridge,  
Ashram Road, AHMEDABAD 380 009.

## NOTICE

**NOTICE IS HEREBY GIVEN THAT** the next Annual General Meeting of the Members of **GCCL CONSTRUCTION & REALITIES LIMITED** will be held on Monday, 30<sup>th</sup> September, 2002 at 10.00 a.m. at 606, Sakar I, Ashram Road, Ahmedabad to transact the following business:

### ORDINARY BUSINESS:

1. To receive consider & adopt the Balance Sheet as at 31<sup>st</sup> March 2002, the Profit & Loss Account for the year ended on that date and the reports of the Directors' & Auditors' thereon.
2. To appoint a Director in place of Mr. Himanshu J. Kamdar, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s Dinesh R. Shah & Nanavati, Chartered Accountants, Ahmedabad as Auditors of the Company to hold office from conclusion of this Annual General Meeting till conclusion of next Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company.

### SPECIAL BUSINESS:

4. To consider and if thought fit to pass, with or without modification, the following Resolution as an Ordinary Resolution.  
"RESOLVED THAT Mr. Bahubali Shah whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Mr. Bahubali Shah for the office of Director be and is hereby appointed as Director of the Company."
5. To consider and if thought fit to pass, with or without modification, the following Resolution as an Ordinary Resolution.  
"RESOLVED THAT Mr. Ashok Damani whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Mr. Ashok Damani for the office of Director be and is hereby appointed as Director of the Company."
6. To consider and if thought fit to pass, with or without modification, the following Resolution as an Ordinary Resolution.  
"RESOLVED THAT Mr. Niranjan Jhaveri whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Mr. Niranjan Jhaveri for the office of Director be and is hereby appointed as Director of the Company."

Date: 27<sup>th</sup> June, 2002  
Registered office:  
606, Sakar I, Ashram Road,  
Ahmedabad- 380 009.

For and on behalf of the Board of Directors

Bahubali S. Shah  
DIRECTOR

# GCCL CONSTRUCTION & REALITIES LIMITED

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Shareholders/proxies are requested to produce the attendance slip at the entrance of the Meeting Hall.
3. The Register of Members and Transfer Book of the Company will be closed from Monday, 23/09/2002 to Monday, 30/09/2002 both days inclusive.
4. Shareholders desiring any information as regards the Accounts are requested to write to the Company at least five days in advance of the annual general meeting to enable the Management to keep the information ready at the meeting.
5. An explanatory statement as required under Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.

Date: 27<sup>th</sup> June, 2002  
Registered office:  
606, Sakar I, Ashram Road,  
Ahmedabad- 380 009.

For and on behalf of the Board of Directors

**BAHUBALI S. SHAH**  
DIRECTOR

## EXPLANATORY STATEMENT

(PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.)

The following explanatory statement as required by Section 173 of the Companies Act, 1956, sets out all material facts relating to the business mentioned in the accompanying Notice.

Item 4, 5 & 6:

Mr. Bahubali Shah, Mr. Ashok Damani & Mr. Niranjani Jhaveri were appointed by the Board of Directors as an Additional Directors of the Company with effect from 15/06/2002 & 31/03/2002 & 31/03/2002 respectively and hold office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956. Mr. Bahubali Shah, Mr. Ashok Damani & Mr. Niranjani Jhaveri are eligible for reappointment and in respect of whom the Company has received notices in writing under Section 257 of the Companies Act, 1956 from Members proposing their candidature for the office of Director.

The Board commends the Resolution in the interest of the Company.

Date: 27<sup>th</sup> June, 2002

For and on behalf of the Board of Directors

Registered office:  
606, Sakar I, Ashram Road,  
Ahmedabad- 380 009.

**Bahubali Shah**  
DIRECTOR

**Profile of the Directors seeking appointment/reappointment**

**Name** : **Mr. Bahubali Shah**  
**Address** : Gujarat Samachar Bhavan, Khanpur, Ahmedabad-380 001.  
**Date of Birth** : 9/9/1951  
**Nationality** : Indian  
**Occupation** : Business  
**Qualification** : B.Com  
**Experience** : 30 years  
**Date of appointment** : 15/06/2002

**Name** : **Mr. Ashok Damani**  
**Address** : G-2 Sankalp Appt. Gulbai Tekra, Ahmedabad-380 009.  
**Date of birth** : 26/10/1949  
**Nationality** : Indian  
**Occupation** : Profession  
**Qualification** : Advocate  
**Experience** : 30 years  
**Date of appointment** : 31/03/2002

**Name** : **Mr. Niranjana Jhaveri**  
**Address** : 16, Ashwamegh- II, Satellite, Ahmedabad- 380 015.  
**Date of birth** : 31/10/25  
**Nationality** : Indian  
**Occupation** : Business  
**Date of appointment** : 31/03/2002

**Name** : **Mr. Himanshu J. Kamdar**  
**Address** : Ahmedabad  
**Nationality** : Indian  
**Occupation** : Business

Mr. Himanshu J. Kamdar, retiring director has offered himself for re-appointment as a director under Section 256 of the Companies Act, 1956.

# GCCL CONSTRUCTION & REALITIES LIMITED

## DIRECTORS' REPORT

To  
The Members  
GCCL CONSTRUCTION & REALITIES LIMITED,  
Ahmedabad.

Your Directors presents their Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31<sup>st</sup> March, 2002.

### **FINANCIAL RESULTS:**

	2001-2002 (RS in Lac)	2000-2001 (RS in Lac)
Loss for the year	216696	178297
Profit/[-]Loss brought forward from previous year.	[-]152065	26232
Loss Carried To Balance Sheet	368762	152065

### **OPERATIONS:**

This is covered in the management discussion and analysis report enclosed. In view of loss, your Directors do not recommend any dividend for the year 2001-2002.

### **MANAGEMENT DISCUSSION & ANALYSIS**

#### **1. OVERVIEW ON INDIAN ECONOMY:**

The sluggishness in the global economy has to an extent impacted the industrial & economic growth of the Indian economy. The official data reveals that except for cement the performance of other Five infrastructure sectors – still, power, crude, petroleum products & coal was poor.

As regards industrial production CSO estimation indicates that the growth in the Fiscal year 2001-02 was 2.7 % as against 5 % recorded in the previous year.

Growth in mining, electricity and manufacturing were lower than that recorded in previous fiscal year. The growth in the consumer good sector at 5.8 % is also much less than the 8 % growth recorded in 2000-01. GDP growth for the fiscal year 2001-02 is estimated at 5.4 % far lower than 6 % plus growth path envisaged. The fiscal deficit dipped to 5.9 % of GDP as against the Government's revised estimate of 5.7 % mainly due to massive revenue shortfall.

#### **2. CONSTRUCTION INDUSTRY:**

The outlook of the construction industry depends upon the investment in the infrastructure & industry. The Central as well as State Government of Gujarat is taking all measures to boost such investment. The financial year was a bad year for construction industry in Gujarat because of impact of earthquake on society as a whole and State Government in particular. The activity was at halt for almost 6 (six) months. The Government machinery stopped all new approvals and put break on all existing construction activities. In this scenario your company decided not to pursue any new project and abandon all projects under pipeline.

#### **3. OPPORTUNITIES, THREATS, RISKS & CONCERNS:**

The construction industry in Gujarat is at crossroads. The industry needs investments in infrastructure and favorable political and social environment. The cement industry has been growing at 8 % long-term compounded growth rate in the country. The Gujarat being one of the developed states may not remain far behind. The future therefore holds out substantial opportunity for the company to grow in its business. The demand – supply imbalance is however likely to affect the industry in the short term. The recent imposition of stamp duty on the purchase of new property by way of allotment may also restrict the demand in the short term. Notwithstanding the current economic scenario in Gujarat, the potential for the construction industry remains positive. Your company has taken a conservative approach to conserve resources and thereby to enhance shareholders' value. Your Directors are evaluating various strategic measures to deploy fund in profitable activities.

**4. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:**

Your company has adequate internal checks to cover all monetary transactions. The audit committee discusses the internal audit reports. The role & terms of reference of the audit committee cover the area mentioned under clause 49 of the listing agreement with the stock exchanges and Section 292A of the Companies Act, 1956.

**5. CAUTIONARY STATEMENT:**

Statement in the Management Discussion & Analysis Report describing the company's objective, expectations or predictions may be forward looking within the meaning of applicable Securities Laws & Regulations. Actual performance may differ from those expressed or implied.

**CORPORATE GOVERNANCE**

Pursuant to clause 49 of the listing agreement, a report on corporate governance along with auditors' certificate of its compliance is included as part of the annual report.

**DIRECTORS:**

- \* Mr. Himanshu J. Kamdar Director will retire by rotation and being eligible, offer themselves for reappointment.
- \* Mr. Bahubali Shah, Mr. Ashok Damani & Mr. Niranjana Jhaveri were appointed as Directors on the Board of the Company and holds office up to the conclusion of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956. The Company has received notices in writing from a members of the Company under Section 257 of the Companies Act, 1956, signifying their intention to propose the appointment of Mr. Bahubali Shah, Mr. Ashok Damani & Mr. Niranjana Jhaveri as Director of the Company along with a deposit of five hundred rupees.
- \* Mr. S.K. Vimawala resigned during the year and the Board place on record its appreciation for services rendered by him.

**AUDITORS AND AUDITORS' REPORT:**

The Auditors' M/s Dinesh R. Shah & Nanavati, Chartered Accountants, Ahmedabad holds office until the conclusion of the ensuing Annual General Meeting and is recommended for reappointment for the year 2002-2003. The Company has received certificate from the Auditors' to the effect that the reappointment if made, would be within prescribed limit under Section 224 (1-B) of the Companies Act, 1956.

The notes at schedule 14 are self-explanatory and do not require further clarifications.

**FIXED DEPOSITS:**

The Company has not accepted any deposits from the public.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars required to be furnished by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988:

Part A and B pertaining to conservation and technology absorption is not applicable to the Company. However the Company endeavored to conserve energy consumption wherever feasible.

The Company has neither used nor earned any foreign exchange during the year under review.

**INVESTOR SERVICE CENTRE:**

Your Company strives to provide prompt investor service through its in-house service center. The securities of your Company are listed at Ahmedabad and Mumbai Stock Exchanges. The Company has paid the annual listing fees to these Stock Exchanges for the year 2001-2002.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to sub-Section (2AA) of Section 217 of Companies Act'1956 the Board of Directors of the Company hereby State and confirm that: