

MD	✓		EXC	—
CS	NA		DEV	NA
RO	✓		ENV	NA
TRA	NA			✓
AGM	✓	✓		✓
YE	✓	✓		✓

6TH

ANNUAL REPORT

1997 - 1998



**GARNET CONSTRUCTION
LIMITED**



GARNET CONSTRUCTION LIMITED**Annual Report****BOARD OF DIRECTORS**

SHRI KISHAN KUMAR KEDIA	CHAIRMAN AND MANAGING DIRECTOR
SHRI ARUN K. KEDIA	DIRECTOR
SHRI SANJAY K. KEDIA	DIRECTOR
SHRI SOHAN LAL AGARWAL	DIRECTOR
MRS. ANUPAM KEDIA	DIRECTOR
MRS. VARSHA KEDIA	DIRECTOR
MRS. KUSUMDEVI KEDIA	DIRECTOR

AUDITORS

KIRTI MEHTA & ASSOCIATES
146/152 SAMUEL STREET,
217/218 COLABA ENTERPRISES BUILDING,
MUMBAI 400 009.

BANKERS

KARNATAKA BANK LTD.
STATION ROAD,
KANDIVALI (WEST),
MUMBAI 400 067.


REGISTERED OFFICE

17, MILAP APARTMENTS,
S.V. ROAD,
MALAD (WEST),
MUMBAI 400 064.

WORKS**VILLAGE**

HONAD
DHEKU
KUMBHIVALI
DHAMNI
AMBIVALI

TALUKA

KHALAPUR, DIST. RAIGAD
KHALAPUR, DIST. RAIGAD
KHALAPUR, DIST. RAIGAD
KHALAPUR, DIST. RAIGAD
KHALAPUR, DIST. RAIGAD

GARNET CONSTRUCTION LIMITED**Annual Report****NOTICE**

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of **GARNET CONSTRUCTION LIMITED** will be held on Tuesday, the 29th September, 1998 at the Registered Office of the Company at 17, Milap Apartments, S.V. Road, Malad (West), Mumbai - 400 064. at 11.30 A.M to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt the audited Balance Sheet as at March 31, 1998 and the Profit and Loss Account for the financial year ended on that date and the Report of Directors and Auditors thereon.
- 2) To appoint a Director in the place of Shri Sohan Lal Agarwal, who retires by rotation and being eligible, offer himself for re-appointment.
- 3) To Appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

SPECIAL BUSINESS:

- 4) To consider, and if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution :
"RESOLVED THAT Pursuant to section 257 of the companies Act, 1956, Smt. Kusumdevi K. Kedia be and is hereby appointed as an additional Director, in the Board of Directors Meeting and as such who holds office upto the date of ensuing Annual General Meeting."

By Order of the Board of Directors
GARNET CONSTRUCTION LIMITED

Sd/-

KISHAN KUMAR KEDIA

Chairman & Managing Director

Place : Mumbai

Dated : 26th August, 1998

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SENT IN THE FORM ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST REACH AT THE REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Directors' Report, Auditors' Report and the Balance Sheet as at 31st March, 1998 and the Profit & Loss account for the financial year ended on that date are enclosed.
3. Members/proxies should bring the Attendance Slip duly filled in for attending the meeting.
4. Members are requested to notify any change in their address quoting their folio number to the Company's share department.
5. Members are requested to bring their copies of the Annual Report at the meeting.

Explanatory Statement as required under section 173 (2) of the Companies Act, 1956.

ITEM NO. 4

Smt. Kusumdevi K. Kedia who was appointed as additional Director on 14th August, 1998 & from that date she has been associated with the company. It would be in the interest of the company to re-appoint her as regular Director. The Board therefore recommends to members for their approvals to the above resolution. None of the Directors are interested in Or concerned with the said resolution.

By Order of the Board of Directors
GARNET CONSTRUCTION LIMITED

Sd/-

KISHAN KUMAR KEDIA

CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai

Dated : 26th August, 1998

Registered Office:-

17, Milap Apartments,
S.V. Road, Malad (West),
Mumbai - 400 064.

GARNET CONSTRUCTION LIMITED**Annual Report****DIRECTORS' REPORT**

Your Directors have pleasure in presenting to you the Sixth Annual Report and Audited Statement of Accounts of the Company for the financial year ended 31st March, 1998.

FINANCIAL RESULTS

The Results are as Under :

Particulars	(Rs. in Lacs)	
	As on 31st March 1998	As on 31st March 1997
Profit before Depreciation & Tax	12.14	13.65
Depreciation	1.15	1.12
Profit before Tax	10.99	12.53
Provision for Taxation	5.50	6.00
Profit after Tax	5.49	6.53
Share Capital	540.22	540.22
Reserves & Surplus	17.68	12.19
NET WORTH	557.90	552.41
Book Value Per Share	10.33	10.23
E.P. S. (Rs.)	0.10	0.12

DIVIDEND :

In view of Strengthening the Financial Position of the Company and keeping in view the long term Business Plans your Directors do not recommend any dividend from the Profits made during the year and proposes to transfer entire amount of profits to the Reserves of the Company.

PERFORMANCE

The year under review witnessed a turnover of Rs. 127.88 Lacs. The Significant achievement of the year is the successful sale of plots of Emerald Industrial Estate to the tune of Rs. 105.19 Lacs.

The Year 1997-98 saw the emergence of a new project i.e. Arkose Industrial Estate at Village Dheku, Taluka - Khalapur, Dist.-Raigad consisting of 56 Plots.

The process of Shed Construction at the Dhamni Village, Taluka - Khalapur, Dist. - Raigad is in progress. Your Company has incurred an expenditure of Rs. 49.56 Lacs including the Land value under construction till 31st March, 1998. The Company has received an Advance of Rs. 10.18 Lacs against the sale of Sheds. Since the Construction work is in progress, the company will recognise the revenue in the year of its completion.

The Directors are happy to communicate that all the business group has contributed to this performance. The Directors take this opportunity to thank the dedicated team of people who have contributed to its success.

GARNET CONSTRUCTION LIMITED**Annual Report****BUSINESS PROSPECTS**

Although Construction Industry is passing through bad time the Company do not foresee any difficulties in fulfilling its objectives as the Company has been concentrating on industrial estates, plots, and sheds in tune with the Country's agenda for infrastructure development which is essential purquisites for sustained growth of the economy, Your Company is also making its contribution to the evergrowing infrastructure market.

Looking at the demand for housing complexes near to industrial parks the Company has already envisaged a Housing Complex Project to cater to the need of the official accommodation for the various industries located in that area.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The details regarding conservation of Energy and Technology absorption are not relevant since it is a construction industry.

FOREIGN CURRENCY TRANSACTION

The Company has not entered into any foreign currency transaction during the year under review.

DIRECTORS

The Director Shri Sohan Lal Agarwal retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

Smt. Kusumdevi K. Kedia was appointed as additional Director during the year and the Board propose to re-appoint her as regular Director at the ensuing Annual General Meeting.

AUDITORS

The Auditors M/s Kirti Mehta & Associates, retire and are eligible for reappointment. You are requested to consider their re-appointment for the Financial year ending March, 1999 and fix their remuneration.

As regards Auditor's observations, the notes provided with the Accounts are self-explanatory.

FIXED DEPOSITS

Your company has not accepted any Fixed deposit during the period under review which falls under the definition of Section 58 A of the Companies Act, 1956.

PERSONNEL

Particulars of the employees of the Company pursuant to Section 217 (2A) of the Companies Act, 1956 is not required to be given because none of the employees of the Company draws remuneration in excess of the amount of remuneration prescribed in the Section.

APPRECIATION

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from banks, and other Government Bodies.

Your Directors wish to place on record their deep sense of appreciation for the devoted services of the staff for its success.

For and on behalf of the Board
of **GARNET CONSTRUCTION LIMITED**

Sd/

KISHAN KUMAR KEDIA

CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai

Dated : 12th August, 1998.

GARNET CONSTRUCTION LIMITED**Annual Report****KIRTI MEHTA & ASSOCIATES**

Chartered Accountants
146/152 Samuel Street, 217/218 Colaba Enterprises Building,
Mumbai 400 009.

AUDITOR'S REPORT

To,
The Members of

GARNET CONSTRUCTION LIMITED

We have audited the attached Balance Sheet of **GARNET CONSTRUCTION LIMITED** as on 31st March, 1998 and the Profit and Loss Account of the Company for the year ended on that date, annexed thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditors Report) Order, 1988 issued by the company law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in paragraph 4 & 5 of the said order.

2. Further to our comments in 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 account as required by the companies Act, 1956 have been kept by the Company, so far as it appears from our examination of books.
- c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
- d) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account read together with the Significant Accounting Policies and the Notes thereon give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view :
 - (i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 1998 and
 - (ii) in so far as it relates to profit and Loss Account, of Profit of the Company for the year ended on that date.

FOR **KIRTI MEHTA & ASSOCIATES**
CHARTERED ACCOUNTANTS

DATED : 10TH OF AUGUST, 1998
PLACE : MUMBAI

Sd/-
K.T. MEHTA
PROPRIETOR.