



ANNUAL REPORT

2002 - 2003

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KADAMB CONSTRUCTIONS LIMITED

REGD. OFFICE : A-27, AMBA BARI, JAIPUR - 302 012

CORPORATE OFFICE :
211-212, SHALIMAR COMPLEX, CHURCH ROAD
M. I. ROAD, JAIPUR - 302 001

BOARD OF DIRECTORS

Mr. Mahesh Kumar Gupta

Chairman Cum Managing Director

Mr. Ganga Ram Khandelwal*

Director

Mr. C. P. Goel

Director

Mr. Rajendra Sharma*

Director

Mr. Bajrang Lal Agarwal*

Director

Mr. Raja Mathur*

Director

Mrs. Heeru Gupta

Director

*Independent Directors

AUDITORS

M/s. Maheshwari & Kedawat
Chartered Accountants.
104, Navjeevan Chambers,
Vinoba Marg, C-Scheme,
JAIPUR - 302001

BANKERS

UCO - Bank, Jaipur
GLOBAL TRUST Bank Ltd., Jaipur

REGISTERED OFFICE :

A-27, AMBA BARI, JAIPUR - 302012

CORPORATE OFFICE : 211-212, SHALIMAR COMPLEX
CHURCH ROAD, M. I. ROAD, JAIPUR - 302001

REGISTRAR OF SHARE TRANSFERS :

Beetal Financial & Computer Services (P) Ltd.
321-S, Chirag Delhi
(Near Shahid Bhagat Singh College)
New Delhi - 110017
Tel. : 29251990, 29250390
Fax : 011-29252146



NOTICE

Notice is hereby given that the EIGHTH Annual General Meeting of KADAMB CONSTRUCTIONS LIMITED, will be held on Friday the 29th August, 2003, at 10.30 a.m. at Corporate Office : 211-212, Shalimar Complex, M. I. Road, Jaipur to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003, and the Profit & Loss Account for the year ended on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Chandra Prakash Goyal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Rajendra Prasad Sharma, who retires by rotation and being eligible, offers himself for reappointment.
4. To reappoint Auditors to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit to pass, with or without modification(s) the following resolution as an Ordinary Resolution :-
"RESOLVED THAT Shri Raja Mathur who was appointed as an Additional Director of the Company by the Board of Directors on 04.02.2003 Under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company who will be liable to retire by rotation."
6. To consider and if thought fit to pass, with or without modification(s) the following resolution as an Ordinary Resolution :-
"RESOLVED THAT Shri Bajrang Lal Agarwal who was appointed as an Additional Director of the Company by the Board of Directors on 07.12.2002 Under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company who will be liable to retire by rotation."

Regd. Office :
A-27, Amba Bari,
Jaipur (Rajasthan)
Dated : 27.6.2003

By Order of the Board

(Mahesh Kumar Gupta)
Chairman cum Managing Director

Notes :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member. However, Proxy form must be deposited at the Registered office of the Company not later than 48 hours before commencement of the meeting.
2. The Register of Members and Share Transfer books of the company will remain closed from: 26.08.2003 to 29.08.2003 (both days inclusive).
3. Shareholders are requested to inform the company immediately of any change in their addresses.
4. Members are requested to quote their folio numbers in all their correspondence.
5. The shareholders desiring any information as regards accounts are requested to write to the company at an early date, so as to enable the management to keep information ready.
6. Members are requested to bring their copies of Annual Report to the Meeting.
7. The shares of Company are transacted in dematerialise form w.e.f 17.02.2002 Shareholder may convert their shares in Demat form the Company has appointed M/s. Beetal Financial & Computer Services (P) Ltd. having its Registered Office at 321-S, Chirag Delhi, (Near Shahid Bhagat Singh College), New Delhi - 110017, Tel. : 29251990, 29250390 Fax : 011-29252146
8. The Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 is enclosed.

Regd. Office :
A-27, Amba Bari,
Jaipur (Rajasthan)
Dated : 27.06.2003

By Order of the Board

(Mahesh Kumar Gupta)
Chairman cum Managing Director



ANNUAL REPORT

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

EXPLANATORY STATEMENT TO ITEM NO. 5

Shri Raja Mathur was appointed as an Additional Director by the Board at its meeting held on 04.02.2003. According to the provisions of Section 260 of the Companies Act, 1956, he holds that office upto the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose the name of Shri Raja Mathur as a candidate for the office of Director.

Shareholders are requested to approve the item.

None of the Directors of the Company is in any way concerned or interested, in the proposed resolution.

EXPLANATORY STATEMENT TO ITEM NO. 6

Shri Bajrang Lal Agarwal was appointed as an Additional Director by the Board at its meeting held on 07.12.2002. According to the provisions of Section 260 of the Companies Act, 1956, he holds that office upto the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a member under section 257 of the Companies Act, 1956 signifying his intention to propose the name of Shri Bajrang Lal Agarwal as a candidate for the office of Director.

Shareholders are requested to approve the item.

None of the Directors of the company is in any way concerned or interested, in the proposed resolution.

Regd. Office :
A-27, Amba Bari,
Jaipur (Rajasthan)
Dated : 27.06.2003

By Order of the Board
For Kadamb Constructions Limited

(Mahesh Kumar Gupta)
Chairman cum Managing Director

**DIRECTOR'S REPORT**

To,

The Members,
Kadamb Constructions Limited
Jaipur.

The Directors have pleasure in submitting the Eighth Annual Report ended on 31st March, 2003.

(1) FINANCIAL HIGHLIGHTS :

	FINANCIAL YEAR 2002-03 (Rs. in Lacs)	FINANCIAL YEAR 2001-02 (Rs. in Lacs)
Total Income	42.71	44.82
Profit (Loss) before Depreciation Interest and Tax	19.10	10.54
Less : Interest	-	0.00
Less : Depreciation	0.85	0.72
Profit (Loss) before Tax	18.25	9.82
Provision for tax	6.59	2.80
Deferred tax assets / Liabilities	0.28	0.50
Profit / (Loss) after tax for the year	11.38	6.52
Add (Less) profit/loss B/f from the previous year	9.24	3.54
Less : Deferred tax till 01.04.82	-	0.82
Transfer to General	5.0	Nil
Profit / (Loss) Carried over to balance sheet	15.62	9.24

OPERATIONS & FUTURE PROSPECTS :

This year too, the real estate market could not pickup & there was low demand of flats in the market. The availability of flats has been very high but the demand is low. The Company hope that condition in the forth coming year will improve.

The Real Estate Market remained stagnant during the year under consideration, your Board of Directors are very much hopeful that in the coming years, it will improve. The company could not start new project due to the market scenario. The Board of Directors deem fit to give the idle funds as loans and advances to various parties for a short term basis to get optimum results of the funds of the company.

2. DIVIDEND

Your Directors are of the opinion that company should not declare any dividend due to insufficient profits.

3. DIRECTOR'S RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956 as amended by the Companies Amendment Act, 2000, the directors of your Company subject to notes appended to accounts and auditor's report confirm :

- that in preparation of annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- that such accounting policies have been selected and applied consistently and such judgments and estimate made are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year 2002-03 and of the profit of the Company for the year ended 31st March, 2003.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accord-



ON ANNUAL MEETING

ance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- that the annual accounts have been prepared on a going concern basis.

4. SHARE TRANSFER AGENT

The Company has appointed Beetal Financial & Computer Services (P) Limited as the Share Transfer Agent for physical purpose from 1st April, 2003 pursuant to SEBI circular dated 27th Dec. 2002. Now the registrar & transfer agent for both dematerialization as well as for physical purpose is Beetal Financial & Computer Services (P) Limited having registered office at 321-S, Chirag Delhi (Near Shahid Bhagat Singh College) New Delhi-110 017 (Phone Nos. 29251990, 29250390 Fax No. 29252146).

5. DIRECTORS

Your Company wishes to welcome Mr. Raja Mathur and Mr. Bajrang Lal Agarwal who have been appointed as an additional Director on 04.02.2003 & 07.12.2002 and being eligible for reappointment in ensuing Annual General Meeting, notice in respect of which is already received from a shareholder.

In accordance with the provisions of the Companies Act, 1956 and articles of association of the company Mr. Chandra Prakash Goyal & Mr. Rajendra Prasad Sharma retire by rotation and being eligible offer themselves for reappointment.

6. AUDITORS

M/s. Maheshwari & Kedawat, Chartered Accountants, the statutory auditors of the company retires at the conclusion of ensuing annual general meeting of the company and being eligible, offer themselves for reappointment.

7. AUDITOR'S REPORT

The observation of the auditors is self-explanatory and/or is suitably explained in the notes to the accounts.

8. CORPORATE GOVERNANCE

Report on Corporate Governance has been included in this annual report as separate section.

9. PARTICULARS OF EMPLOYEES

No employee of the Company has come under the limit as specified by section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 as amended by Companies (Particulars of Employees) Rules, 2002.

10. PUBLIC DEPOSITS

During the year company has not accepted any deposits from the public.

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

The information required under Section 217 (V) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of board of director) Rules, 1988, are not given as the same is either not applicable or nil to the company.

During the year no foreign exchange was earned or spend by the company.

12. ACKNOWLEDGEMENT

Your Director wish to place on records their sincere appreciation for the bankers and the dedicated employees of the company.

On Order of the Board of Directors

Dated : 27.06.2003

Place : Jaipur

sd /
(Mahesh Kumar Gupta)
Managing Director

sd /
(Heeru Gupta)
Director



CORPORATE GOVERNANCE REPORT

Your Company believes in setting the highest standards of good & ethical Corporate Governance practices. Your Company is committed to integrity as the cornerstone of the way it does business. Over the years and Company has shown strong commitment towards efficient Corporate Governance practices. The Company's philosophy of Corporate envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations with its stakeholders, customers, shareholders, employees, government including the society of which the Company is a part.

Corporate Governance is the integral part of the very existence of the Company. In sum, the essence of Corporate Governance is thus the phrase "Your Company". It is Your Company because it belongs to you, the shareholders. The Chairman and Directors are your fiduciaries and trustees. Their objectives is to push the business forward to maximize "Your long-term value".

Towards this end, this year's annual report, like previous year, has made substantial disclosures on the Board of Directors, financial and stock performance. In addition, the Company has endeavoured to evaluate and benchmark "Your Company" with the guidelines recommended by the SEBI Committee on Corporate Governance.

1. BOARD OF DIRECTORS

Composition of Board

Director	Executive/Non Executive/ Independent #	No. of outside Directorship held
Mr. Mahesh Kumar Gupta	Executive	7
*Mr. Gangaram Khandelwal	Independent	1
Mr. C. P. Goel	Non-Executive	1
*Mr. Rajendra Sharm	Independent	-
*Mr. Bajrang Lal Agarwal	Independent	-
*Mr. Raja Mathur	Independent	-
Mrs. Heeru Gupta	Executive	1

*Independent Directors

Mrs. Heeru Gupta is wife of Mr. Mahesh Kumar Gupta.

Independent Directors is :

- not a formal executive and has no professional relationship with the Company;
- not a large customer and/or vendor to the Company;
- not a close relative of the promoter and/or any executive directors;
- not holding a significant stake;
- not a nominee of any large shareholder / creditor.

Change in Composition of Board in comparison to previous year

- Mrs. Heeru Gupta : Regularised as a Director from the date of last AGM i.e. 29th August, 2002
- Mr. Gangaram Khandelwal : Regularised as a Director from the date of last AGM i.e. 29th August, 2002
- Mr. Raja Mathur was appointed as additional Director of the Company on dated 04.02.2003
- Mr. Bajrang Lal Agarwal was appointed as additional Director of the Company on dated 07.12.2002

**Director's Interest in the Company**

Director	Relationship With other Directors	Business relationship with the company, if any	Loan and advances received from the company	Remuneration paid during 2002-03 (All figures in Rupees)			
				Sitting Fees	Salary & Perks	Commission	Total
Mr. Mahesh Kumar Gupta	Husband of Mrs. Heeru Gupta	-	-	-	120000	-	120000

Attendance records of the Directors

10 Board Meetings were held during the year on 29.06.2002, 29.07.2002, 26.08.2002, 31.10.2002, 01.12.2002, 07.12.2002, 31.01.2003, 04.02.2003, 22.02.2003, 01.03.2003.

The attendance at the Board Meetings and Annual General Meeting were as under :

Director	No. of Meetings		Attended last AGM*
	Held	Attended	
Mr. Mahesh Kumar Gupta	10	10	Yes
Mr. Gangaram Khandelwal	10	10	Yes
Mr. Bajrang Lal Agarwal	4	4	No
Mr. Raja Mathur	2	2	No
Mr. C. P. Goel	10	5	No
Mr. Rajendra Sharma	10	10	Yes
Mrs. Heeru Gupta	10	10	Yes

*Last Annual General Meeting (AGM) was held on 29th August, 2002 at Corporate Office : 211-212, Shalima Complex, Church Road, M. I. Road, Jaipur.

2. AUDIT COMMITTEE

- a) The Audit Committee which was formed on 22nd February, 2003 consisting three Independent Directors. The new composition of the committee is as under :

Directors	Position
Mr. Ganga Ram Khandelwal	Chairman
Mr. Raja Mathur	Director
Mr. Bajrang Lal Agarwal	Director

The Audit Committee did not meet in the last year.