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THAKKER'S DEVELOPERS LTD.

EIGHTEENTH ANNUAL REPORT

Regd. Office :

37/39, Kantol Niwas
Modi Street, Fort,
Mumbai - 400 001.
Ph.No. - (022) 39450425

Auditors :

M/s. Govilkar & Associates.
Chartered Accountants,
Flat No.5/6, Patel Pride,
Patil Lane No.2, College Road,
Nashik- 422 005.
Ph.No- (0253) 2574022

Bankers :

HDFC Ltd.
Nashik People's Co-op. Bank Ltd.
Janalaxmi Co-op. Bank Ltd.
Godavari Urban Co-op. Bank Ltd.
Business Bank Ltd.

Eighteenth Annual General Meeting :

Date : 27th September, 2005
Time : 12:00 noon.
Venue : 37/39, Kantol Niwas
Modi Street, Fort,
Mumbai - 400 001.

Board of Directors :

Mr. Jitendra M. Thakker
Chairman
Mr. Rajendra M. Thakker
Managing Director
Mr. Narendra M. Thakker
Director
Mr. Chandrakant H. Thakker
Director
Mr. Mukesh K. Thakker
Director
Mr. Jaman H. Thakker
Director

THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT****THAKKER'S DEVELOPERS LTD.****EIGHTEENTH ANNUAL REPORT.****2004-2005****CONTENTS**

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THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT****NOTICE**

NOTICE is hereby given that the EIGHTEENTH Annual General Meeting of the Members of the Company will be held at 12:00 noon on Tuesday 27th September, 2005 at 37/39, Kantol Niwas, Modi Street, Fort, Mumbai 400 001 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2005 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Mukesh K. Thakker who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Jaman H. Thakker who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. Govilkar & Associates, Chartered Accountants, Nashik as Auditors of the Company to hold office from the conclusion of the Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

REGD. OFF. :-

37/39, Kantol Niwas,
Modi Street, Fort,
Mumbai - 400 001

By Order of the Board of Directors

PLACE : NASHIK

DATE : 18/06/2005

JITENDRA M. THAKKER

CHAIRMAN

NOTES FOR MEMBERS ATTENTION :

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.
2. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Shareholders holding shares in the same set of names, under different ledger folios are requested to apply for consolidation of such folios along with share Certificates to the Company.
4. Shareholders are requested to notify change in address, if any, immediately to the Company.
5. Shareholders are requested to bring their copies of Annual Report to the Meeting, copies of the Annual Report will not be available for distribution to shareholders at the Venue.
6. Shareholders attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Venue.
7. Members desiring any information as regards the Accounts are requested to write to the Company at least seven days in advance of the date of Annual General Meeting so as to enable the Management to keep the information ready.
8. The Register of members and the share transfer book will remain closed from 26th September, 2005 to 27th September, 2005. (Both days inclusive)
9. **The Company has made an arrange with CDSL for dematerialisation of shares. Members are requested to avail the facility of dematerialisation of shares of the company.**

THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT****DIRECTOR'S REPORT****TO THE MEMBERS,**

The Directors hereby present their Eighteenth Annual Report on the business operations of the Company along with the audited statement of account for the year ended 31st March 2005.

1. FINANCIAL RESULTS

	Year Ended 31.03.2005 (Rs. In Lacs)	Year Ended 31.03.2004 (Rs. In Lacs)
Income	1323.72	2154.92
Profit / (Loss) before Tax	130.29	134.89
Provision for taxation	46.92	33.03
Profit / (Loss) after Tax	83.37	101.86
Balance brought forward	240.67	144.20
Taxes for Earlier Years (Net)	0	(5.39)
Balance Carried forward	324.04	240.67

2. DIVIDEND

Your Board do not recommend any dividend for the year under review.

3. OPERATIONS AND PROSPECTS

During the year under review, your Company has handed over the possession of constructed flat / shops admeasuring about 31,607.96 Sq. Ft. worth Rs. 378.01 Lacs (Previous Year 50,748.35 Sq.ft. worth Rs. 670.35 Lacs). In addition to above, the Company also sold plots, lands etc. worth Rs. 636.80 Lacs (Previous Year Rs. 714.61 Lacs).

4. DIRECTORS

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association of your Company, Mr. Mukesh K.Thakker and Mr. Jaman H Thakker, Directors of your Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

5. AUDITORS

Your Company's Auditors, M/s. Govilkar & Associates, Chartered Accountants, Nashik will retire at the ensuing Annual General Meeting and are eligible for reappointment. The company has received a letter from the auditors to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the companies Act, 1956.

6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (2AA) of section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT**

iv) The Directors have prepared the annual accounts on a going concern basis.

7. PERSONNEL

The Directors wish to place on record their sincere appreciation of the contribution made by the employees of the company at all levels. None of the employee was in receipt of remuneration in excess of Rs.1,00,000/- pm. if employed for part of the year or at Rs.12,00,000/- p.a.

8. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Corporate Governance and Management Discussion and analysis report as required under clause 49 of the listing agreement is enclosed herewith.

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

In view of the nature of activities which are being carried on by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, concerning conservation of energy and technology absorption respectively, are not applicable to the Company. There were no foreign exchange earnings and outgo during the year under review.

10. AUDITORS REPORT

Remarks in para 1 and 2 of Auditors' Report regarding non-provision of gratuity liability read with Note No. 4 to the accounts are self explanatory.

11. ACKNOWLEDGEMENT

The Directors acknowledge with pleasure the valued co-operation and continued support extended to the Company by its Financial Institutions particularly Housing Development Finance Corporation Ltd. and Bankers Nashik People's Co-op. Bank Ltd., Janalaxmi Co-op. Bank Ltd., Godavari Urban Co-op. Bank Ltd., Business Co-op. Bank Ltd. The Directors are also happy to place on record their thanks to various departments of Government of Maharashtra and Municipal Authorities like Nashik Municipal Corporation, Maharashtra State Electricity Board for their valuable co-operation., Maharashtra State Road Transport Corporation.

For and on behalf of the Board of Directors.

PLACE : NASHIK
DATE : 18/06/2005

JITENDRA M. THAKKER
CHAIRMAN

THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry Review****Favourable conditions**

The overall ambience is presently very favourable and encouraging to the real estate development business. The most easily available finance, on the basis of reducing balance, has key importance in this regard whereby consumers are coming forward to purchase real estate on a scale which is far bigger than before. The other encouraging factor is the Income Tax benefit that is being offered for construction of housing projects and to the investors in housing projects.

Opportunities and Threats

Your company is committed to generate reasonable surplus every year but our goal is long term sustainable and profitable development of our business. The initiatives taken by the Central Government and the incentives, rebate in taxes provided by Finance Ministry for housing and infrastructure development would increase the demand for our products.

Segmentwise Performance

The earning of the company is contributed by two segments, namely construction related activity and estate dealing and development activity. Construction activity includes construction and sale of commercial and residential premises and estate development involves, purchases and development of lands, and sale of plots. The revenue from construction related activity decreased from Rs. 1414.85 lacs (previous year) to Rs. 676.44 lacs. While during the year revenue from estate dealing related activity too decreased from Rs. 714.61 Lacs (Previous Year) to Rs. 636.79 Lacs.

Human Resources

The Company's Human Resources Philosophy is to provide congenial work environment, Provide proper training, induce more activity and responsibility and motivate the employees to put in better performance. The existing procedures are considered adequately effective in various disciplines, resulting in cost reduction and meeting delivery schedules to the entire satisfaction of our customers. Employee relations of the company continue to be cordial.

Internal Control Systems

Your Company already has an effective internal control system for purchase, marketing and finance which gets upgraded whenever considered necessary to ensure that the transactions are correctly authorised and recorded. The internal systems further ensure that the financial statements are realistic and helps the management to review the actual performance, based on which various decisions are taken.

Dematerialisation of Company's Equity Shares

Your Company was received permission for dematerialisation of Equity Shares from CENTRAL DEPOSITORY SERVICES LIMITED. (CDSL) on 29/03/2005. The ISIN No. INE403F01017 is allotted to our Company.

For and on behalf of the Board of Directors.

PLACE: NASHIK
DATE : 18/06/2005

JITENDRA M. THAKKER
CHAIRMAN

THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT****CORPORATE GOVERNANCE REPORT**

Corporate Governance is Crucial for the existence of a company as it builds confidence and trust, which leads to more stable and sustained resource flows and long term partnership with its investors and customers. The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business, management accountability and transparency, mandatory provisions of Corporate Governance as stipulated under listing agreements of Stock Exchanges are being complied with.

The detailed report on Corporate Governance code in Compliance of clause 49 of the listing agreement with the stock exchanges is set out below.

(A) COMPANY PHILOSOPHY ON CODE OF GOVERNANCE :

Company believes that the corporate Governance provides a basis for corporate way of life including the structure through which the objective of the Company are set and means of attaining those objective and monitoring performance are determined. Your company makes best endeavours that resources are utilised in a manner which enables the company to fulfil its obligation to shareholders, customers, employees, financiers and society at large. Your company continues to follow procedures and practices in conformity with the code of Corporate Governance enshrined in the listing agreement.

(B) BOARD OF DIRECTORS:

There was no change in the composition of the Board during the year under review and it continues to comprise of 6 Members, Consisting of 3 Executive and 3 Non-Executive Director with considerable expertise and experience in business and industry, management, legal and marketing.

The Composition of the Board of Directors is as under.

Name	Category	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorship	No. of their committee membership
Jitendra M. Thakker	ED	13	Yes	35	1
Rajendra M. Thakker	ED	12	Yes	8	—
Narendra M. Thakker	ED	11	Yes	1	1
Chandrakant H. Thakker	NE & ID	10	Yes	9	1
Mukesh K. Thakker	NE & ID	8	Yes	1	2
Jaman H. Thakker	NE & ID	10	Yes	6	1
ED = Executive Director					
NE & ID = Non Executive & Independent Director					

(C) BOARD PROCEDURE:

The Board meets at least once a quarter to review the quarterly performance and the financial results. The Board meetings are scheduled well in advance and notice of each meeting is given to each Director. All major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, statutory compliances, accounting provisions are considered by the Board.

During the financial year ended 31st March, 2005 Twenty Board Meetings were held as under

Sr. No	Date of Meeting	Sr. No	Date of Meeting
01.	10th April 2004,	12.	31st December 2004,
02.	10th June 2004,	13.	03rd January 2005,
03.	05th July 2004,	14.	16th January 2005,
04.	12th July 2004,	15.	31st January 2005,
05.	31st July 2004,	16.	08th February 2005,
06.	21st August 2004,	17.	27th February 2005,
07.	30th September 2004,	18.	28th February 2005,
08.	30th October 2004,	19.	03rd March 2005,
09.	20th November 2004,	20.	19th March 2005,
10.	11th December 2004,		
11.	28th December 2004,		

The last Annual General Meeting of the Company was held on 21st September 2004 which was chaired by Mr. Jitendra M. Thakker, Chairman of the Company.

THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT****D) AUDIT COMMITTEE**

The Audit Committee of the Company, provides assurance to the Board on the adequacy of internal control systems and financial disclosures. The terms of reference of the Audit committee are in accordance with the clause 49(ii) of the listing agreement.

The Audit Committee Comprises of 3 Directors

The Audit Committee is constituted in accordance with clause 49 of the listing agreement and the Companies Act 1956. All these Directors possess knowledge of corporate finance, accounts and Company Law. One of the Member acts as Chairman of the committee meeting. The Minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board meetings. The composition of the Audit Committee is as follows...

1. Mukesh K. Thakker
2. Jaman H. Thakker
3. Chandrakant H. Thakker

During the Financial Year ended March 31st 2005. Four (4) Audit Committee meetings were held. The attendance of the meetings is as under....

No.	Name	6th June 2004	28th July 2004	26th October 2004	27th January 2005
01	Mukesh K. Thakker	Yes	No	Yes	Yes
02	Jaman H. Thakker	No	Yes	Yes	Yes
03	Chandrakant H. Thakker	Yes	Yes	No	Yes

E) REMUNERATION COMMITTEE

The Company has not Constituted the Remuneration Committee The details of remuneration of Chairman, Managing Director and wholetime Director for the Financial year 2004-2005 are given below.

No.	Name of Director	Remuneration Paid per month
1)	Shri. Jitendra Manohardas Thakker	Rs.35,000/-
2)	Shri. Rajendra Manohardas Thakker	Rs.25,000/-
3)	Shri. Narendra Manohardas Thakker	Rs.21,500/-

All the above directors were paid remuneration as accorded by the members in the General Meetings. The Company has no stock option scheme for any of its Directors. No remuneration is paid to non-executive Directors.

F) SHAREHOLDERS GRIEVANCE COMMITTEE

The Company has constituted shareholders / investors grievance committee and the composition of committee is as under.

- a) Shri. Jitendra M. Thakker
- b) Shri. Mukesh K. Thakker
- c) Shri. Narendra M. Thakker

During the year not a single complaints were received from the shareholders. Mr. Rajendra R. Bunage is appointed as Compliance Officer of the company.

THAKKER'S DEVELOPERS LTD.**EIGHTEENTH ANNUAL REPORT****G) GENERAL BODY MEETINGS**

The details of General Meetings held in last three years are as under.

Date of AGM	Financial Year	Time
28-09-2002	2001-2002	12.00 noon
20-09-2003	2002-2003	12.00 noon
21-09-2004	2003-2004	12.00 noon

H) DISCLOSURES

- i) There are no materially significant transactions with related parties i.e. Promoters, Directors, or the Management their subsidiaries or relatives conflicting with Company's interest.
- ii) During last three years, there were no strictures or penalties imposed either by SEBI or the stock Exchanges or any statutory authority for non-compliance of any matter related to the Capital Markets.

I) MEANS OF COMMUNICATION

Quarterly / half yearly and yearly unaudited / audited results are published in English and local language news papers as required under the listing agreement. All financial and other vital information are promptly communicated to the Stock Exchanges on which company's shares are listed.

J) SHAREHOLDERS INFORMATION

1) Annual General Meeting	
Day & Date	27th September, 2005
Time	12.00 Noon
Venue	37/39, Kantol Niwas, Modi Street, Fort, Mumbai-400001.

2) Financial Calendar	
First Quarter Result	31st July, 2004
Second Quarter Result	30th October, 2004
Third Quarter Result	31st January, 2005
Audited Results for the Year	18th June, 2005
Dates of Book closure 26-09-2005 to 27-09-2005	

3) Dividend Payment Date Not Applicable

4) Listing on Stock Exchanges

Listed on Mumbai and Pune Stock Exchanges. Stock Code

526654 (BSE) 526654 (Pune)