

TIVOLI CONSTRUCTION LIMITED

Regd. Off: 201, Shyam Apartments, 172, Garodia Nagar, Ghatkopar (E), Mumbai-400 077

DIRECTORS' REPORT

To,
The Members,

The Directors have pleasure in presenting the Thirteenth Annual Report of the Company together with the Audited statement of accounts for the year ended 31st March, 1999.

<u>FINANCIAL HIGHLIGHTS</u>	<u>Amount in Rupees</u>	
	<u>1998 - 99</u>	<u>1997 - 98</u>
Profit before Tax	3,23,282	5,99,731
Provision for Taxation	1,13,901	2,11,243
Tax Adjustment of earlier years	2,575	NIL
Profit after Tax	2,06,806	3,88,488
ADD : Balance in Profit & Loss account Brought forward from the previous year	34,44,242	31,55,754
Profit available for appropriation	36,51,048	35,44,242
<u>APPROPRIATIONS</u>		
General Reserve	1,00,000	1,00,000
Balance Carried Forward to Balance sheet	35,51,048	34,44,242
	36,51,048	35,44,242

- DEPOSITS** : The Company has not accepted any deposits from the public.
- DIVIDEND** : In order to conserve and improve the resources of the Company for a better outlook in the future, the Directors do not recommend any dividend.
- DIRECTORATE** : In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Kirit Thacker, Director of the Company retires by rotation and being eligible offers himself for reappointment.

For Tivoli Construction Limited
Kirit R. Thacker
Director

TIVOLI CONSTRUCTION LIMITED

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YEAR 2000 COMPLIANT

: The Company is aware of the importance of the year 2000 (Y2K) problem and it has already undertaken effective steps to ensure that it has become Y2K compliant in all the relevant operational and accounting areas. Further, the Directors of the Company feel that the impact of Y2K issues due to external failure, if any, is not likely to have any material impact on the Company's operations and accounting areas.

PARTICULARS OF : EMPLOYEES

The information required to be published under the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended have not been annexed to this Report as no employees employed throughout the year were in receipt of remuneration aggregating to Rs. 6,00,000/- per annum or Rs. 50,000/- per month when employed for part of the year.

PARTICULARS REQUIRED TO BE FURNISHED BY THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 :

1. Parts A & B pertaining to conservation of energy and technology absorption are not applicable to the company.
2. Foreign Exchange earnings and outgoing – The Company has neither used nor earned any foreign exchange during the period under review.

AUDITORS :

Shareholders are requested to appoint Auditors and fix their remuneration. Kapadia Associates, Auditors of the Company will retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

ON BEHALF OF THE BOARD

Kirit L. Thacker

DIRECTOR

PLACE : Mumbai

DATED : 4th September, 1999

For Tivoli Construction Limited

Kirit L. Thacker
Director

KAPADIA ASSOCIATES

CHARTERED ACCOUNTANTS

1001, RAHEJA CHAMBERS, 213 NARIMAN POINT, MUMBAI 400021

PHONES : 2843475, 2843490, 2026477, 2836194

FAX : (91-22) 283 6193, E-MAIL : gmkco@bom2.vsnl.net.in

REPORT OF THE AUDITORS TO THE MEMBERS OF TIVOLI CONSTRUCTION LIMITED

We have audited the attached Balance Sheet of **TIVOLI CONSTRUCTION LIMITED** as at 31st March, 1999 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto and we report that:

1. 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;
2. In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of the said books;
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
4. In our opinion, the Profit & Loss Account and Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - (a) In the case of the Balance Sheet of the state of affairs of the company as at 31st March, 1999, and
 - (b) In the case of the Profit & Loss Account of the profit of the company for the year ended on that date.

Further, as required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of section 227(4A) of the Companies Act, 1956, we report that:

1. The company does not have any fixed assets and hence clause (i) of paragraph 4(A) is not applicable.

KAPADIA ASSOCIATES

2. The company does not have any fixed assets and hence the question of revaluation does not arise.
3. The company does not have any stock, and therefore clause (iii), (iv), (v) and (vi) of paragraph 4(A) are not applicable.
4. The company has taken interest free loan from one of its directors and the terms and conditions of the loan are not prima facie prejudicial to the interest of the company.
5. The Company has not granted loans, secured or unsecured to Companies, firms or other parties listed in the registers maintained u/s. 301 and/or to the Companies under same management as defined under sub section (1B) of Section 370 of the Companies Act, 1956. In such circumstances the question of terms and conditions of such loans being prima facie prejudicial to the interest of the company does not arise.
6. In respect of loans and advances in nature of loans given by the Company, the parties are repaying the principal amounts as stipulated and are also regular in the payment of interest, wherever applicable.
7. The company has neither purchased any raw materials, components, plant and machinery, equipment and other assets nor sold any goods and hence the question of adequate internal control procedures commensurate with the size of the company and the nature of its business does not arise.
8. The company has not entered into any transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register(s) maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000 (Rupees fifty thousand only) or more in respect of each party.
9. There are no unserviceable or damaged stores, raw materials or finished good.
10. According to information and explanations given to us, the company has not accepted any deposits from public, and hence no compliance with the directives issued by the Reserve Bank of India and the provisions of section 58A of the Companies Act, 1956, and the rules framed thereunder, is called for.