

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 Sixteenth Annual Report of the Company together with the Audited statement of accounts for the year ended 31st March, 2002.

<u>FINANCIAL HIGHLIGHTS</u>	<u>Amount in Rupees</u>	
	<u>2001-2002</u>	<u>2000-2001</u>
Profit before Tax	3,40,498	4,35,396
Less : Provision for Taxation	<u>1,21,558</u>	<u>1,72,241</u>
Profit after Tax	2,18,940	2,63,155
ADD : Balance in Profit & Loss account		
Brought forward from the previous year	<u>38,56,152</u>	<u>36,92,997</u>
Profit available for appropriation	<u>40,75,092</u>	<u>39,56,152</u>
APPROPRIATIONS		
Short Provision for Taxation	870	-----
General Reserve	1,00,000	1,00,000
Balance Carried Forward to Balance sheet	<u>39,74,222</u>	<u>38,56,152</u>
	<u>40,75,092</u>	<u>39,56,152</u>

DEPOSITS : The Company has not accepted any deposits from the public.

DIVIDEND : In order to conserve 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 Thacker
Director

TIVOLI CONSTRUCTION LIMITED

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: 2 :

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- That the Directors have selected appropriate accounting policies and have 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 as at March 31, 2002 and of the Profit of the Company for the year ended on that date;
- That 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;
- That the annual accounts have been prepared on a going concern basis.

**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. 24,00,000/- per annum or Rs. 2,00,000/- 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 outgoings – The Company has neither used nor earned any foreign exchange during the period under review.

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: 3 :

COMPLIANCE CERTIFICATE

As required by proviso to Section 383A(1) of the Companies Act, 1956, read with the Companies (Compliance Certificate) Rules 2001, compliance certificate obtained from Mr. J T Bathija, a Secretary in whole-time practice is annexed herewith.

APPOINTMENT OF COMPANY SECRETARY

Shareholders are requested to appoint a Company Secretary in practice for issuing the Compliance Certificate as required under the Companies Act, 1956.

SUBSIDIARY COMPANY :

Statement relating to Subsidiary Company is attached separately along with statement of accounts.

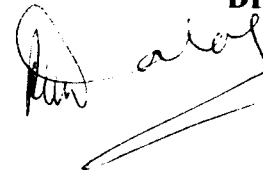
AUDITORS :

Shareholders are requested to appoint Auditors and fix their remuneration. M/s. 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
DIRECTORS

PLACE : Mumbai
DATED : 4th September, 2002



KAPADIA ASSOCIATES

CHARTERED ACCOUNTANTS

1001, RAHEJA CHAMBERS, 213 NARIMAN POINT, MUMBAI 400 021

PHONES : 284 3475, 284 3490, 202 6477, 283 6194

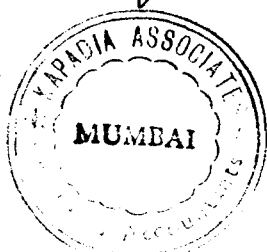
FAX : (91-22) 283 6193, E-MAIL : gmkco@bom2.vsnl.net.in

AUDITORS' REPORT

We have audited the attached Balance Sheet of **TIVOLI CONSTRUCTION LIMITED** as on 31st March, 2002 and the Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
3. 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;
4. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
5. In our opinion, the Profit & Loss Account and Balance Sheet of the Company comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable;
6. As per the information and explanations given to us and representations received from the directors of the Company, we report that no directors of the Company is disqualified from being appointed as director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
7. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit & Loss Account read together with the notes thereon give the information as required by the Companies Act, 1956 in the manner so required and give a true & fair view:

- (i) in the case of Balance Sheet, of the state of the affairs of the Company as at 31st March, 2002, and

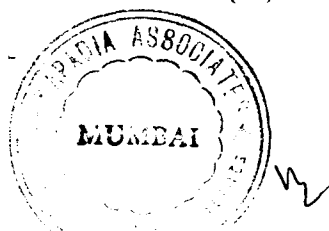


KAPADIA ASSOCIATES

- (ii) in the case of 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 Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we report that:

- (i) This report includes matters specified in the manufacturing and other Companies (Auditor's Report) Order, 1988 as far as they are applicable to this Company.
- (ii) The Company has not taken any loans from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The provisions of Section 370 of the Act are not applicable with effect from 31st October, 1998.
- (iii) The Company has not granted loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The provisions of Section 370 are not applicable with effect from 31st October, 1998.
- (iv) In respect of loans given by the Company there is no stipulation as to the repayment of the loan or interest. However, interest is received at regular intervals.
- (v) The Company 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.
- (vi) 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 and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party.
- (vii) There are no unserviceable or damaged stores, raw material or finished goods.
- (viii) According to the information and explanations given to us, the Company has not accepted deposits from the public, and hence no the compliance with the directives issued by the Reserve Bank of India and the provisions of section 58A of the Companies Act, 1956 and rules framed thereunder, is called for..
- (ix) According to the information and explanations given to us, the Company did not have any by-products and scraps.



KAPADIA ASSOCIATES

- (x) The Company does not have formal internal audit system.
- (xi) According to the information and explanations given to us the Company is not required to maintain cost records under section 209 (1)(d) of the Companies Act, 1956 and hence no cost records have been maintained.
- (xii) According to the records of the Company, there were no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, custom duty and excise duty were outstanding, as at 31st March, 2002 for a period of more than six months from the date they became payable.
- (xiii) On the basis of our examination of the books and according to information and explanations given to us there are no personal expenses charged to revenue account.
- (xiv) The Sick Industrial Companies (Special Provisions) Act, 1985 is applicable to Industrial Companies, since the Company is not an Industrial Company, the question of reporting under this clause does not arise.

For Kapadia Associates
Chartered Accountants



R. G. Kapadia

[R. G. Kapadia]
Proprietor

Mumbai

Dated: 4 SEP 2002

TIVOLI CONSTRUCTION LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2002**

PARTICULARS	Sch. No.		31.03.2002 Rupees	31.03.2001 Rupees
I. SOURCES OF FUNDS :				
1. Shareholders Funds				
a) Share Capital	1		5,000,000.00	5,000,000.00
b) Reserves & Surplus	2		5,534,221.93	5,316,151.93
2. Loan Funds				
a) Secured Loans			-	-
b) Unsecured Loans			-	-
TOTAL			10,534,221.93	10,316,151.93
II. APPLICATION OF FUNDS :				
1. Fixed Assets			NIL	NIL
2. Investment	3		9,000.00	10,000.00
3. Current Assets, Loans & Advances				
a) Cash & Bank Balances	4	354,187.93		61,275.93
b) Loans & Advances	5	10,217,273.00		10,309,474.00
c) Other Current Assets	6	543,566.00		611,892.00
A		11,115,026.93		10,982,641.93
Less : Current Liabilities & Provisions				
a) Current Liabilities	7	21,750.00		18,750.00
b) Provisions	8	568,055.00		657,740.00
B		589,805.00		676,490.00
NET CURRENT ASSETS (A-B)			10,525,221.93	10,306,151.93
NOTES TO ACCOUNTS	9		10,534,221.93	10,316,151.93

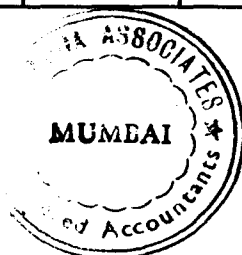
As per our report of even date
For and on behalf of
KAPADIA ASSOCIATES
Chartered Accountants

Rajiv Kapadia

[R. G. KAPADIA]
Proprietor

MUMBAI :
DATED

4 SEP 2002



MUMBAI :
DATED :

Kirit R. Thacker

DIRECTORS

4 SEP 2002

TIVOLI CONSTRUCTION LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002**

PARTICULARS	Sch. No.	2001-2002 RUPEES	2000-2001 RUPEES
I. INCOME			
Interest (TDS Rs.77,112/)			
[Previous year Rs.1,07,808]		394,640.00	493,662.00
TOTAL		394,640.00	493,662.00
II. EXPENDITURE :			
Bank Charges		120.00	250.00
Listing Fees		10,000.00	10,000.00
Audit fees		10,500.00	10,500.00
Profession fees		10,250.00	10,250.00
Filing fees		1,500.00	1,000.00
Professional Tax		2,500.00	2,500.00
Directors Fees		3,000.00	3,000.00
Advertisement Expenses		16,272.00	20,766.00
		54,142.00	58,266.00
PROFIT BEFORE TAX		340,498.00	435,396.00
Less : Provision for Taxation		121,558.00	172,241.00
PROFIT AFTER TAXATION		218,940.00	263,155.00
Add : Balance brought forward		3,856,151.93	3,692,996.93
Less : Short Provision for Taxation		(870.00)	Nil
		4,074,221.93	3,956,151.93
Less : Transfer to General Reserve		(100,000.00)	(100,000.00)
		3,974,221.93	3,856,151.93
NOTES TO ACCOUNTS	9		

As per our report of even date

For and on behalf of

KAPADIA ASSOCIATES

Chartered Accountants

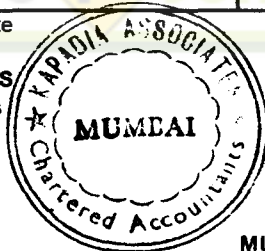
*Rajesh Kapadia***[R. G. KAPADIA]**

Proprietor

MUMBAI

DATED

4 SEP 2002



MUMBAI

DATED

4 SEP 2002

Kirit & Thacker

DIRECTORS

TIVOLI CONSTRUCTION LIMITED		
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2002		
PARTICULARS	31.03.2002 Rupees	31.03.2001 Rupees
<u>SCHEDULE 1</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED CAPITAL</u>		
500,000 Equity Shares of Rs 10/- each	5,000,000.00	5,000,000.00
	5,000,000.00	5,000,000.00
<u>ISSUED, SUBSCRIBED & PAID UP :</u>		
500,000 Equity Shares of Rs. 10 each	5,000,000.00	5,000,000.00
	5,000,000.00	5,000,000.00
PARTICULARS	31.03.2002 Rupees	31.03.2001 Rupees
<u>SCHEDULE 2</u>		
<u>RESERVES & SURPLUS</u>		
General Reserve		
Balance as per last Balance Sheet	1,460,000.00	1,360,000.00
Add : Addition during the year	100,000.00	100,000.00
	1,560,000.00	1,460,000.00
Surplus in Profit & Loss Account	3,974,221.93	3,856,151.93
	5,534,221.93	5,316,151.93

TIVOLI CONSTRUCTION LIMITED**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2002**

PARTICULARS	31.03.2002 Rupees	30.03.2001 Rupees
<u>SCHEDULE 3</u>		
<u>INVESTMENTS</u>		
<u>UNQUOTED (AT COST, TRADE)</u>		
<u>Equity Shares</u>		
900 (900) Victoria Investments Company Limited	9,000.00	9,000.00
Preference Shares		
NIL (10) Victoria Investments Company Limited	NIL	1,000.00
	9,000.00	10,000.00
<u>PARTICULARS</u>	<u>31.03.2002 Rupees</u>	<u>30.03.2001 Rupees</u>
<u>SCHEDULE 4</u>		
<u>CASH AND BANK BALANCE</u>		
Cash on hand	5,075.00	6,575.00
Current Account with bank	349,112.93	54,700.93
	354,187.93	61,275.93
<u>PARTICULARS</u>	<u>31.03.2002 Rupees</u>	<u>31.03.2001 Rupees</u>
<u>SCHEDULE 5</u>		
<u>LOANS & ADVANCES</u>		
<u>Loans</u>		
Kanyakumari Builders Pvt. Ltd.	1,575,000.00	1,575,000.00
H & R Johnson (India) Ltd.	1,575,000.00	1,575,000.00
<u>Advances</u>		
Share Application Money	6,500,000.00	6,500,000.00
Advance Income Tax	558,373.00	650,574.00
Advance Interest Tax:	8,900.00	8,900.00
	10,217,273.00	10,309,474.00