

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 Eighteenth Annual Report of the Company together with the Audited statement of accounts for the year ended 31st March, 2004.

FINANCIAL HIGHLIGHTS

	<u>Amount in Rupees</u>	
	<u>2003-2004</u>	<u>2002-2003</u>
Profit before Tax	2,76,167	2,85,809
Less : Provision for Taxation	<u>99,076</u>	<u>1,05,035</u>
Profit after Tax	1,77,091	1,80,774
ADD : Balance in Profit & Loss account Brought forward from the previous year	<u>40,54,993</u>	<u>39,74,222</u>
Profit available for appropriation	<u>42,32,084</u>	<u>41,54,996</u>
APPROPRIATIONS		
Short Provision for Taxation	345	3
General Reserve	1,00,000	1,00,000
Balance Carried Forward to Balance sheet	<u>41,31,739</u>	<u>40,54,993</u>
	<u>42,32,084</u>	<u>41,54,996</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. Satish Sheth, Director of the Company retires by rotation and being eligible offers himself for reappointment.

TRUE COPY

For Tivoli Construction Limited

Kirit L. Thakkar
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, 2004 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.

TIVOLI CONSTRUCTION LIMITED

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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 R Thacker
X
[Signature]
DIRECTORS

PLACE : Mumbai
DATED : 6 SEP 2004

KAPADIA ASSOCIATES

CHARTERED ACCOUNTANTS

1001, RAHEJA CHAMBERS, 213 NARIMAN POINT, MUMBAI 400 021 INDIA
PHONES : (91-22) 2284 3475, 2284 3490, 2202 6477, 2283 6194 FAX : (91-22) 2283 6193

AUDITOR'S REPORT

TO THE MEMBERS OF TIVOLI CONSTRUCTION LIMITED

We have audited the attached Balance Sheet of **TIVOLI CONSTRUCTION LIMITED** as at 31st March, 2004, the Profit and Loss Account and the cash flow statement 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.

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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, 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 purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books;
3. The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account;
4. In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
5. On the basis of the written representations received from the directors, as on 31st March, 2004, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2004 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

6. In our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004; and
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Mumbai
Dated:

27th SEP 2004.



For KAPADIA ASSOCIATES.
Chartered Accountants

Rajiv Kapadia
(R.G. KAPADIA)
Proprietor
(Membership No. 34092)

Annexure**Re: TIVOLI CONSTRUCTION LIMITED**

Referred to in paragraph 3 of our report of even date,

- (i) The Company does not have any fixed asset and hence clause 4(i) of the Order is not applicable.
- (ii) The Company does not have any inventory and hence clause 4(ii) of the Order is not applicable.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Act; and hence clause 4(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanation given to us, the Company has an adequate internal control procedure commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there were no transactions during the year that needed to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly sub clause (v)(b) of clause 4 of the Order regarding reasonableness of prices of such transactions is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, hence there is no question of complying with the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. As informed to us, no order has been passed by the Company Law Board.
- (vii) The Company does not have formal internal audit system.
- (viii) As informed to us provisions of clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 regarding maintenance of cost records are not applicable to the Company;
- (ix)
 - (a) According to the information and explanations given to us and according to the records examined by us the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, cess and any other statutory dues, wherever applicable;
 - (b) According to the information and explanations given to us there are no dues of sales tax / income tax / custom tax / wealth tax / excise duty / cess, which have not been deposited on account of dispute;
- (x) The Company has neither accumulated losses nor incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

In view of the same, the sub clause (x) of clause 4 of the Order regarding comparison of net worth with accumulated losses is not applicable.

- (xi) The Company has neither taken any loans from a financial institution or bank and neither issued any debentures during the financial year covered by our audit. In the view of the same, the sub clause (xi) of clause 4 of the Order regarding comparison of net worth with accumulated losses is not applicable.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanation given to us the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of this clause are not applicable to the Company.
- (xiv) The company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not availed term loans during the year and hence provisions of this clause are not applicable to the Company.
- (xvii) According to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act and hence question of reporting under this clause does not arise.
- (xix) The Company has not issued any debentures and hence question of reporting under this clause does not arise.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, this clause is not applicable to the Company.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Mumbai
Dated: 6 SEP 2004



For KAPADIA ASSOCIATES.
Chartered Accountants

Rajesh Kapadia
(R.G. KAPADIA)
Proprietor
(Membership No.34092)

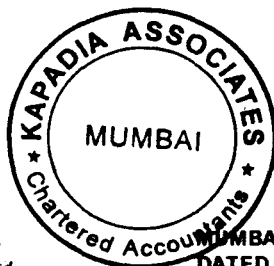
TIVOLI CONSTRUCTION LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2004**

PARTICULARS	Sch. No.		31.03.2004 Rupees	31.03.2003 Rupees
I. SOURCES OF FUNDS :				
1. Shareholders Funds				
a) Share Capital	1		5,000,000	5,000,000
b) Reserves & Surplus	2		5,891,739	5,714,993
2. Loan Funds				
a) Secured Loans			-	-
b) Unsecured Loans			-	-
TOTAL			10,891,739	10,714,993
II. APPLICATION OF FUNDS :				
1. Fixed Assets			NIL	NIL
2. Investment	3		9,000	9,000
3. Current Assets, Loans & Advances				
a) Cash & Bank Balances	4	465,198		428,466
b) Loans & Advances	5	9,988,336		10,152,282
c) Other Current Assets	6	783,075		651,295
A		11,236,608		11,232,042
Less : Current Liabilities & Provisions				
a) Current Liabilities	7	28,200		25,200
b) Provisions	8	325,669		500,849
B		353,869		526,049
NET CURRENT ASSETS (A-B)			10,882,739	10,705,993
			10,891,739	10,714,993
NOTES TO ACCOUNTS	9			

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

Rajiv Kapadia
[R. G. KAPADIA]
Proprietor

MUMBAI : 6 SEP 2004
DATED :



MUMBAI :
DATED :

Kirit R. Thacker
DIRECTORS
Alu alu

6 SEP 2004

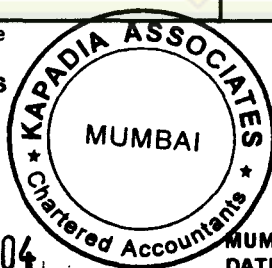
TIVOLI CONSTRUCTION LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2004**

PARTICULARS	Sch. No.	2003-2004 RUPEES	2002-2003 RUPEES
I. INCOME			
Interest (TDS Rs.67,804)		343,750	344,270
[Previous year Rs.69,458]			
TOTAL		343,750	344,270
II. EXPENDITURE :			
Bank Charges		25	-
Listing Fees		10,000	10,000
Audit fees		10,800	10,800
Professional fees		26,000	16,900
Filing fees		1,500	1,500
Profession Tax		2,500	2,500
Directors Fees		3,000	3,000
Advertisement Expenses		13,758	13,761
		67,583	58,461
PROFIT BEFORE TAXATION		276,167	285,809
Less : Provision for Taxation		99,076	105,035
PROFIT AFTER TAXATION		177,091	180,774
Add : Balance brought forward		4,054,993	3,974,222
Less : Short Provision for Taxation		(345)	(3)
		4,231,739	4,154,993
Less : Transfer to General Reserve		(100,000)	(100,000)
		4,131,739	4,054,993
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 6 SEP 2004



MUMBAI
DATED

Kirit A. Thacker
DIRECTORS

6 SEP 2004

TIVOLI CONSTRUCTION LIMITED**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2004**

PARTICULARS	31.03.2004 Rupees	31.03.2003 Rupees
<u>SCHEDULE 1</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED CAPITAL</u>		
500,000 Equity Shares of Rs 10/- each	5,000,000	5,000,000
	5,000,000	5,000,000
<u>ISSUED, SUBSCRIBED & PAID UP :</u>		
500,000 Equity Shares of Rs. 10 each	5,000,000	5,000,000
	5,000,000	5,000,000
PARTICULARS	31.03.2004 Rupees	31.03.2003 Rupees
<u>SCHEDULE 2</u>		
<u>RESERVES & SURPLUS</u>		
General Reserve		
Balance as per last Balance Sheet	1,660,000	1,560,000
Add : Addition during the year	100,000	100,000
	1,760,000	1,660,000
Surplus in Profit & Loss Account	4,131,739	4,054,993
	5,891,739	5,714,993