

TIVOLI CONSTRUCTION LIMITED

Regd. Off: Raheja Chambers, 12th Floor, Nariman Point, Mumbai-400 021

DIRECTORS' REPORT

To,
The Members,

The Directors have pleasure in presenting the Twenty Sixth Annual Report of the Company together with the Audited statement of accounts for the year ended 31st March, 2012.

	<u>Amount in Rupees</u>	<u>Amount in Rupees</u>
<u>FINANCIAL HIGHLIGHTS</u>	<u>2011-2012</u>	<u>2010-2011</u>
Profit before Tax	1,72,485	2,03,370
Less : Provision for Taxation	(58,872)	(62,841)
Less : Taxation of earlier years	NIL	NIL
Profit after Tax	1,13,613	1,40,529
ADD : Balance in Profit & Loss account Brought forward from the previous year	43,97,952	43,57,423
Profit available for appropriation	45,11,565	44,97,952
<u>APPROPRIATIONS</u>		
General Reserve	1,00,000	1,00,000
Balance Carried Forward to Balance sheet	44,11,565	43,97,952
	45,11,565	44,97,952

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. Rakesh Desai, Director of the Company retires by rotation and being eligible offers himself for reappointment.

TRUE COPY

For Tivoli Construction Limited,

Kirit K. Thacker
Director.

TIVOLI CONSTRUCTION LIMITED

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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, 2012 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. 60,00,000/- per annum or Rs. 5,00,000/- 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 :

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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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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

Particulars as required under Section 212 of the Companies Act, 1956, in respect of Victoria Investments Company Limited, have been annexed to the accounts of the Company.

AUDITORS

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

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by the Company in accordance with the Applicable Accounting Standards (AS – 21) issued by the Institute of Chartered Accountants of India.

For the year ended March 31, 2012, the consolidated net profit of the Company and its subsidiary Companies amounted to Rs. 698,185 as compared to Rs. 113,613 for the Company on a standalone basis.

ON BEHALF OF THE BOARD


KIRIT THACKER RAKESH DESAI
DIRECTORS

PLACE : Mumbai

DATED : 03 SEP 2012

G. M. KAPADIA

(REGISTERED)

CHARTERED ACCOUNTANTS

TAMARIND HOUSE, 36B TAMARIND LANE, FORT, MUMBAI 400001

PHONE : (91-22) 6677 5555 FAX : (91-22) 6677 5500

AUDITOR'S REPORT

TO THE MEMBERS OF TIVOLI CONSTRUCTION LIMITED

1. We have audited the attached Balance Sheet of **TIVOLI CONSTRUCTION LIMITED**, as at 31st March 2012, the Statement of Profit & Loss for the year ended on that date 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.
2. We conducted our audit in accordance with the 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 (the Act), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - i. 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;
 - ii. 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 said books;
 - iii. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;




- iv. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with in this report comply with the requirements of the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
- v. On the basis of the written representations received from the directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together 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 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, 2012;
- (b) in the case of the Statement of Profit & Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

Place : Mumbai

Dated : 03 SEP 2012



**For G. M. KAPADIA & CO.
Chartered Accountants
Firm Regn. No: 104767W**


**YAGNESH MEHTA
Partner
Membership No. 34275**

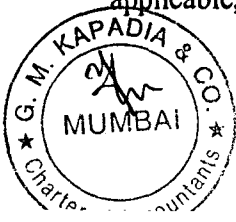
ANNEXURE TO THE AUDITOR'S REPORT

Re: Tivoli Construction Limited

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

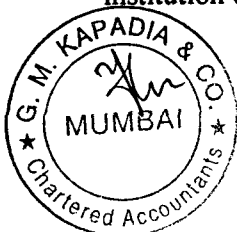
- (i) The Company does not have any fixed asset and hence clause (i) of paragraph 4 of the Order is not applicable.
- (ii) The Company does not have any inventory and hence clause (ii) of paragraph 4 of the Order is not applicable.
- (iii) The Company has not granted or taken any loans secured or unsecured to or from the companies, firms or other parties in the register maintained under Sec 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (a) regarding has the company granted any loans, secured or unsecured to companies, firms or other parties, (b) regarding the rate of interest and other terms and conditions given by the Company, (c) regarding payment of the principal amount and interest, (d) regarding if overdue amount is more than one lakh, (e) regarding has the company taken any loans, secured or unsecured from companies, firms or other parties , (f) regarding the rate of interest and other terms and conditions taken by the Company and (g) regarding payment of the principal amount and interest are regular of sub-para (iii) of para 4 of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations 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 major weakness in such internal control.
- (v) (a) Based on the audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, there were no transactions that needed to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956.

(b) Sub-clause (b) of sub-para (v) of para 4 of the Order regarding reasonability of prices at which such transactions have been entered into is not applicable, as there are no such transactions.



- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and accordingly the provisions contained in sections 58A and 58AA of the Act and Rules there under are not applicable to the Company in this regards. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (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 Act 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 of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues, wherever applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March 2012 for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, there are no disputed dues of Income Tax/Sales Tax/Wealth Tax/Service Tax/Customs Duty/Excise Duty/Cess.
- (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 clause (x) of paragraph 4 of the Order regarding comparison of net worth with accumulated losses is not applicable.
- (xi) According to the information and explanations given to us and based on the records made available to us, the Company has not raised any loans from Financial Institutions or Bank or on Debentures. In view of the same, the clause (xi) of paragraph 4 of the Order regarding default in repayment of dues to financial institution or bank or debenture holders is not applicable.

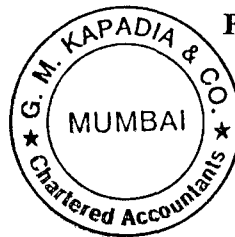


- (xii) According to the information and explanations given to us and based on our examination of the records made available to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations 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) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanations given to us and the records made available to us, the Company has not obtained any term loans during the period covered by our audit report.
- (xvii) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilized for long-term investment.
- (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 during the year. Hence the question of reporting under clause 4(xviii) of the Order regarding whether the price at which shares have been issued is prejudicial to the interest of the company does not arise.
- (xix) The Company has not issued any debentures hence the question of reporting under clause 4(xix) of the Order regarding creation of securities or charge does not arise.
- (xx) According to the information and explanations given to us and the records made available to us, the Company has not raised any money by public issue during the period covered by our audit report.



- (xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no fraud (i.e. intentional material misstatements resulting from fraudulent financial reporting and misappropriation of assets) on or by the company has been noticed or reported during the year by the Company.

For G. M. KAPADIA & CO.
Chartered Accountants
Firm Regn. No: 104767W



A handwritten signature in black ink, appearing to read "Yagnesh Mehta".

YAGNESH MEHTA
Partner

Membership No. 34275

Place : Mumbai

Dated: 03 SEP 2012

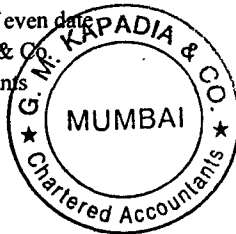
TIVOLI CONSTRUCTION LIMITED
Balance Sheet as at March 31, 2012

	Notes	As at March 31,	
		2012	2011
Equity and liabilities			
Shareholders' funds			
Share capital	2.01	5,000,000	5,000,000
Reserves and surplus	2.02	6,971,565	6,857,952
		11,971,565	11,857,952
Share application money pending allotment		-	-
Non-current liabilities			
Deferred tax liabilities (net)	2.03	-	-
Long-term provisions	2.04	-	-
		-	-
Current liabilities			
Other current liabilities	2.05	55,101	51,751
Short-term provisions	2.04	-	715
		55,101	52,466
Total		12,026,666	11,910,418
Assets			
Non-current assets			
Non-current investments	2.06	6,509,000	6,509,000
Long-term loans and advances	2.07	3,154,837	3,153,083
Other non-current assets	2.08	1,569,932	1,453,308
		11,233,769	11,115,391
Current assets			
Cash and bank balances	2.09	650,955	653,085
Other current assets	2.08	141,942	141,942
		792,897	795,027
Total		12,026,666	11,910,418
Summary of significant accounting policies	1		
Refer accompanying notes. These notes are an integral part of the financial statements.			

As per our report of even date
 For G. M. Kapadia & Co.
 Chartered Accountants

Yagnesh Mehta
 Partner

Place: **MUMBAI**
 Date: **03 SEP 2012**



For and on behalf of the Board of Directors

Kirit Thacker Rakesh Desai
 Director Director

Place: **MUMBAI**
 Date: **03 SEP 2012**