



ANNUAL REPORT
2002 - 2003

KADAMB
CONSTRUCTIONS LIMITED

REGD. OFFICE : A-27, AMBA BARI, JAIPUR-302 012

CORPORATE OFFICE :
211-212, SHALIMAR COMPLEX, CHURCH ROAD
M. J. ROAD, JAIPUR - 302 001

BOARD OF DIRECTORS

Mr. Mahesh Kumar Gupta	Chairman Cum Managing Director
Mr. Ganga Ram Khandelwal*	Director
Mr. C. P. Goel	Director
Mr. Rajendra Sharma*	Director
Mr. Bajrang Lal Agarwal*	Director
Mr. Raja Mathur*	Director
Mrs. Heeru Gupta	Director
*Independent Directors	

AUDITORS

M/s. Maheshwari & Kedawat
Chartered Accountants.
104, Navjeevan Chambers,
Vinoba Marg, C-Scheme,
JAIPUR - 302001

BANKERS

UCO - Bank, Jaipur
GLOBAL TRUST Bank Ltd., Jaipur

REGISTERED OFFICE :

A-27, AMBA BARI, JAIPUR - 302012

CORPORATE OFFICE : 211-212, SHALIMAR COMPLEX
CHURCH ROAD, M. I. ROAD, JAIPUR - 302001

REGISTRAR OF SHARE TRANSFERS :

Beetal Financial & Computer Services (P) Ltd.
321-S, Chirag Delhi
(Near Shahid Bhagat Singh College)
New Delhi - 110017
Tel. : 29251990, 29250390
Fax : 011-29252146

NOTICE

Notice is hereby given that the EIGHTH Annual General Meeting of KADAMB CONSTRUCTIONS LIMITED, will be held on Friday the 29th August, 2003, at 10.30 a.m. at Corporate Office : 211-212, Shalimar Complex, M. I. Road, Jaipur to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003, and the Profit & Loss Account for the year ended on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Chandra Prakash Goyal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Rajendra Prasad Sharma, who retires by rotation and being eligible, offers himself for reappointment.
4. To reappoint Auditors to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit to pass, with or without modification(s) the following resolution as an Ordinary Resolution :-
"RESOLVED THAT Shri Raja Mathur who was appointed as an Additional Director of the Company by the Board of Directors on 04.02.2003 Under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company who will be liable to retire by rotation."
6. To consider and if thought fit to pass, with or without modification(s) the following resolution as an Ordinary Resolution :-
"RESOLVED THAT Shri Bajrang Lal Agarwal who was appointed as an Additional Director of the Company by the Board of Directors on 07.12.2002 Under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company who will be liable to retire by rotation."

Regd. Office :
A-27, Amba Bari,
Jaipur (Rajasthan)
Dated : 27.6.2003

By Order of the Board

(Mahesh Kumar Gupta)
Chairman cum Managing Director

Notes :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member. However, Proxy form must be deposited at the Registered office of the Company not later than 48 hours before commencement of the meeting.
2. The Register of Members and Share Transfer books of the company will remain closed from: 26.08.2003 to 29.08.2003 (both days inclusive).
3. Shareholders are requested to inform the company immediately of any change in their addresses.
4. Members are requested to quote their folio numbers in all their correspondence.
5. The shareholders desiring any information as regards accounts are requested to write to the company at an early date, so as to enable the management to keep information ready.
6. Members are requested to bring their copies of Annual Report to the Meeting.
7. The shares of Company are transacted in dematerialise form w.e.f 17.02.2002 Shareholder may convert their shares in Demat form the Company has appointed M/s. Beetal Financial & Computer Services (P) Ltd. having its Registered Office at 321-S, Chirag Delhi, (Near Shahid Bhagat Singh College), New Delhi - 110017, Tel. : 29251990, 29250390 Fax : 011-29252146
8. The Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 is enclosed.

Regd. Office :
A-27, Amba Bari,
Jaipur (Rajasthan)
Dated : 27.06.2003

By Order of the Board

(Mahesh Kumar Gupta)
Chairman cum Managing Director

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956.

EXPLANATORY STATEMENT TO ITEM NO. 5

Shri Raja Mathur was appointed as an Additional Director by the Board at its meeting held on 04.02.2003. According to the provisions of Section 260 of the Companies Act, 1956, he holds that office upto the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose the name of Shri Raja Mathur as a candidate for the office of Director.

Shareholders are requested to approve the item.

None of the Directors of the Company is in any way concerned or interested, in the proposed resolution.

EXPLANATORY STATEMENT TO ITEM NO. 6

Shri Bajrang Lal Agarwal was appointed as an Additional Director by the Board at its meeting held on 07.12.2002. According to the provisions of Section 260 of the Companies Act, 1956, he holds that office upto the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a member under section 257 of the Companies Act, 1956 signifying his intention to propose the name of Shri Bajrang Lal Agarwal as a candidate for the office of Director.

Shareholders are requested to approve the item.

None of the Directors of the company is in any way concerned or interested, in the proposed resolution.

Regd. Office :
A-27, Amba Bari,
Jaipur (Rajasthan)
Dated : 27.06.2003

By Order of the Board
For Kadamb Constructions Limited

(Mahesh Kumar Gupta)
Chairman cum Managing Director

DIRECTOR'S REPORT

To,

The Members,
 Kadamb Constructions Limited
 Jaipur.

The Directors have pleasure in submitting the Eighth Annual Report ended on 31st March, 2003.

(1) FINANCIAL HIGHLIGHTS :

	FINANCIAL YEAR 2002-03 (Rs. in Lacs)	FINANCIAL YEAR 2001-02 (Rs. in Lacs)
Total Income	42.71	44.82
Profit (Loss) before Depreciation Interest and Tax	19.10	10.54
Less : Interest	-	0.00
Less : Depreciation	0.85	0.72
Profit (Loss) before Tax	18.25	9.82
Provision for tax	6.59	2.80
Deferred tax assets / Liabilities	0.28	0.50
Profit / (Loss) after tax for the year	11.38	6.52
Add (Less) profit/loss B/f from the previous year	9.24	3.54
Less : Deferred tax till 01.04.82	-	0.82
Transfer to General	5.0	Nil
Profit / (Loss) Carried over to balance sheet	15.62	9.24

OPERATIONS & FUTURE PROSPECTS :

This year too, the real estate market could not pickup & there was low demand of flats in the market. The availability of flats has been very high but the demand is low. The Company hope that condition in the forth coming year will improve.

The Real Estate Market remained stagnant during the year under consideration, your Board of Directors are very much hopeful that in the coming years, it will improve. The company could not start new project due to the market scenario. The Board of Directors deem fit to give the idle funds as loans and advances to various parties for a short term basis to get optimum results of the funds of the company.

2. DIVIDEND

Your Directors are of the opinion that company should not declare any dividend due to insufficient profits.

3. DIRECTOR'S RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956 as amended by the Companies Amendment Act, 2000, the directors of your Company subject to notes appended to accounts and auditor's report confirm :

- that in preparation of annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- that such accounting policies have been selected and applied consistently and such judgments and estimate made are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year 2002-03 and of the profit of the Company for the year ended 31st March, 2003.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accord-

ance with the provisions of the Act 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.

4. SHARE TRANSFER AGENT

The Company has appointed Beetal Financial & Computer Services (P) Limited as the Share Transfer Agent for physical purpose from 1st April, 2003 pursuant to SEBI circular dated 27th Dec. 2002. Now the registrar & transfer agent for both dematerialization as well as for physical purpose is Beetal Financial & Computer Services (P) Limited having registered office at 321-S, Chirag Delhi (Near Shahid Bhagat Singh College) New Delhi-110 017 (Phone Nos. 29251990, 29250390 Fax No. 29252146).

5. DIRECTORS

Your Company wishes to welcome Mr. Raja Mathur and Mr. Bajrang Lal Agarwal who have been appointed as an additional Director on 04.02.2003 & 07.12.2002 and being eligible for reappointment in ensuing Annual General Meeting, notice in respect of which is already received from a shareholder.

In accordance with the provisions of the Companies Act, 1956 and articles of association of the company Mr. Chandra Prakash Goyal & Mr. Rajendra Prasad Sharma retire by rotation and being eligible offer themselves for reappointment.

6. AUDITORS

M/s. Maheshwari & Kedawat, Chartered Accountants, the statutory auditors of the company retires at the conclusion of ensuing annual general meeting of the company and being eligible, offer themselves for reappointment.

7. AUDITOR'S REPORT

The observation of the auditors is self-explanatory and/or is suitably explained in the notes to the accounts.

8. CORPORATE GOVERNANCE

Report on Corporate Governance has been included in this annual report as separate section.

9. PARTICULARS OF EMPLOYEES

No employee of the Company has come under the limit as specified by section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 as amended by Companies (Particulars of Employees) Rules, 2002.

10. PUBLIC DEPOSITS

During the year company has not accepted any deposits from the public.

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

The information required under Section 217 (V) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of board of director) Rules, 1988, are not given as the same is either not applicable or nil to the company.

During the year no foreign exchange was earned or spend by the company.

12. ACKNOWLEDGEMENT

Your Director wish to place on records their sincere appreciation for the bankers and the dedicated employees of the company.

On Order of the Board of Directors

Dated : 27.06.2003

Place : Jaipur

sd /
(Mahesh Kumar Gupta)
Managing Director

sd /
(Heeru Gupta)
Director

CORPORATE GOVERNANCE REPORT

Your Company believes in setting the highest standards of good & ethical Corporate Governance practices. Your Company is committed to integrity as the cornerstone of the way it does business. Over the years and Company has shown strong commitment towards efficient Corporate Governance practices. The Company's philosophy of Corporate envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations with its stakeholders, customers, shareholders, employees, government including the society of which the Company is a part.

Corporate Governance is the integral part of the very existence of the Company. In sum, the essence of Corporate Governance is thus the phrase "Your Company". It is Your Company because it belongs to you, the shareholders. The Chairman and Directors are your fiduciaries and trustees. Their objectives is to push the business forward to maximize "Your long-term value."

Towards this end, this year's annual report, like previous year, has made substantial disclosures on the Board of Directors, financial and stock performance. In addition, the Company has endeavoured to evaluate and benchmark "Your Company" with the guidelines recommended by the SEBI Committee on Corporate Governance.

1. BOARD OF DIRECTORS

Composition of Board

Director	Executive/Non Executive/ Independent #	No. of outside Directorship held
Mr. Mahesh Kumar Gupta	Executive	7
*Mr. Gangaram Khandelwal	Independent	1
Mr. C. P. Goel	Non-Executive	1
*Mr. Rajendra Sharm	Independent	-
*Mr. Bajrang Lal Agarwal	Independent	-
*Mr. Raja Mathur	Independent	-
Mrs. Heeru Gupta	Executive	1

*Independent Directors

Mrs. Heeru Gupta is wife of Mr. Mahesh Kumar Gupta.

Independent Directors is :

- not a formal executive and has no professional relationship with the Company;
- not a large customer and/or vendor to the Company;
- not a close relative of the promoter and/or any executive directors;
- not holding a significant stake;
- not a nominee of any large shareholder / creditor.

Change in Composition of Board in comparison to previous year

- Mrs. Heeru Gupta : Regularised as a Director from the date of last AGM i.e. 29th August, 2002
- Mr. Gangaram Khandelwal : Regularised as a Director from the date of last AGM i.e. 29th August, 2002
- Mr. Raja Mathur was appointed as additional Director of the Company on dated 04.02.2003
- Mr. Bajrang Lal Agarwal was appointed as additional Director of the Company on dated 07.12.2002

Director's Interest in the Company

Director	Relationship With other Directors	Business relationship with the company, if any	Loan and advances received from the company	Remuneration paid during 2002-03 (All figures in Rupees)			
				Sitting Fees	Salary & Perks	Commission	Total
Mr. Mahesh Kumar Gupta	Husband of Mrs. Heeru Gupta	-	-	-	120000	-	120000

Attendance records of the Directors

10 Board Meetings were held during the year on 29.06.2002, 29.07.2002, 26.08.2002, 31.10.2002, 01.12.2002, 07.12.2002, 31.01.2003, 04.02.2003, 22.02.2003, 01.03.2003.

The attendance at the Board Meetings and Annual General Meeting were as under :

Director	No. of Meetings		Attended last AGM*
	Held	Attended	
Mr. Mahesh Kumar Gupta	10	10	Yes
Mr. Gangaram Khandelwal	10	10	Yes
Mr. Bajrang Lal Agarwal	4	4	No
Mr. Raja Mathur	2	2	No
Mr. C. P. Goel	10	5	No
Mr. Rajendra Sharma	10	10	Yes
Mrs. Heeru Gupta	10	10	Yes

*Last Annual General Meeting (AGM) was held on 29th August, 2002 at Corporate Office : 211-212, Shalimar Complex, Church Road, M. I. Road, Jaipur.

2. AUDIT COMMITTEE

a) The Audit Committee which was formed on 22nd February, 2003 consisting three Independent Directors. The new composition of the committee is as under :

Directors	Position
Mr. Ganga Ram Khandelwal	Chairman
Mr. Raja Mathur	Director
Mr. Bajrang Lal Agarwal	Director

The Audit Committee did not meet in the last year.

3. SHAREHOLDER'S GRIEVANCE COMMITTEE :

In compliance with the requirement of Corporate Governance under the Listing Agreement with the Stock Exchanges, the Company constituted a Shareholder's Committee to look into issues relating to shareholders, including share transfers and shareholder's grievances. The board has constituted this Committee under the Chairmanship of Shri Raja Mathur, independent Director.

The Committee reviewed the shareholder grievances, their redressal and the share transfers for the year and expressed satisfaction with the same. There is no pending share transfer as on 31st March, 2003.

4. ANNUAL GENERAL MEETINGS

Details of last 3 Annual General Meetings

Year	Location	Date	Time
2001-02	211-212, Shalimar Complex, M.I. Road, Jaipur	29.08.2002	10:30 a.m.
2000-01	211-212, Shalimar Complex, M.I. Road, Jaipur	31.07.2001	10:30 a.m.
1999-00	211-212, Shalimar Complex, M.I. Road, Jaipur	21.06.2000	10:30 a.m.

5. DISCLOSURES

- The disclosures on material transactions with the promoters, directors or the management, their subsidiaries and relatives etc. is made in Directors Interest Statement and in significant accounting Policies & Notes on the Accounts.
- During the last three years no penalty was imposed on the Company by Stock Exchange or SEBI except for composition fee paid.

6. GENERAL SHAREHOLDER'S INFORMATION

1. **Date of Book Closure/Record Date** : 29th August, 2003
2. **Date of Venue of AGM**
 - Date : 29th August, 2003
 - Day : Friday
 - Time : 10:30 a.m.
 - Venue of A.G.M. : 211-212, Shalimar Complex, Church Road, M. I. Road, Jaipur
3. **Dividend Payment** : Nil
4. **Financial Calendar (tentative and subject to change)**
 - Financial reporting for the first quarter ending June 30, 2003 : July, 2003
 - Financial reporting for the second quarter ending Sept. 30, 2003 : Oct., 2003
 - Financial reporting for the third quarter ending Dec. 31, 2003 : Jan., 2004
 - Financial reporting for the year ending March 31, 2004 : June, 2004
 - Annual General Meeting for the year ending March 31, 2004 : Aug., 2004
5. **Listing on Stock Exchanges** : The shares of your Company are listed on the following Stock Exchanges :
 1. The Stock Exchange, Mumbai
Phirozjeejeebhoy Tower,
Dalal Street, Mumbai - 400001
 2. Delhi Stock Exchange
DSE House, 3/1, Asaf Ali Road,
New Delhi - 110002
 3. Ahmedabad Stock Exchange
Kamdhenu Complex
Opp. Sahajanand College, Panjara Pole, Ahmedabad
 4. Jaipur Stock Exchange
J.L.N. Marg, Malviya Nagar, Jaipur

6. Stock Codes

The Stock Exchange, Mumbai

ISIN No. for NSDL and CDSL INE 469F01018

The Company has paid the listing fees for the period from 1st April, 2002 to 31st March, 2003.

7. Distribution of shareholding as on 31st March, 2003

No. of equity shares held	Folios		Share	
	Number	%	Number	%
Upto 1000	249	81.10	81400	3.30
1001-2000	23	7.49	36600	1.40
2001-3000	4	1.30	10800	0.40
3000-4000	1	0.33	3300	0.30
4001-5000	-	-	-	-
5000-10000	15	4.89	131100	5.40
10000 and above	15	4.89	2184300	89.20
Total	307	100.00	2447500	100.00

8. Category of shareholders as on 31st March, 2003

Category	No. of Shares	Voting Strength
A Promoters Holding		
1. Promoters & Relatives	2000000	81.72%
Foreign Promoters	Nil	Nil
2. Persons acting in concern#	-	-
Sub Total		
B Non-Promoters Holding	447500	18.28%
3 Institutional Investors	Nil	Nil
b Mutual Funds and UTI	Nil	Nil
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non Governments Institutions)	Nil	Nil
4. Other		
a Private Corporate Bodies	77200	3.15%
b Indian Public	370300	15.13%
c NRIs / OCBs	Nil	Nil
d Any other (Please Specify)	Nil	Nil
Sub Total	Nil	Nil
Grand Total	2447500	100.00%

9. Shareholding of Promoters/Directors their relatives, associate companies officer of the Company pursuant to SEBI Regulations :

Name	Relation	No. of Shares	% to Total
Shri Mahesh Kumar Gupta	Promoters	378300	15.46%
Smt. Heeru Gupta	Promoters	1061600	43.37%
Smt. Satyawati Gupta	Promoters	85100	3.48%
Mahesh Kumar Gupta (HUF)	Promoters	85000	3.48%
Mansi Gupta	Promoters Relatives	340000	13.89%
Jaipur Sales (P) Ltd.	Associate company	68500	2.80%

10. Investor's correspondence may be addressed to :

11. Other Information

1. For safe prompt payment of dividend, shareholders can give their mandate i.e. Bank name, A/c No. with address.
2. Any change in address or mandate should be intimated to Company or its transfer agent at the earliest for prompt services.
3. While corresponding with the Company or its Registrar & Transfer Agent, members are advised to quote their Folio No. and No. of share held. Any such correspondence should be signed by the member(s) or their duly authorized power of attorney. Company shall not entertain any letter, which is not duly signed as an endeavour to protect the interest of members and to avoid any possible fraud.
4. Members holding shares in identical orders of names in more than one folio are requested to write to the Company or Beetal Financial & Computer Services (P) Ltd. And send their share certificates to enable consolidation of their holding into one folio.

Note : The details are given purely by way of information. Members may make their own judgement and are further advised to seek independent guidance before deciding on any matter based on the information given therein. Neither the Company nor its officials would be held responsible.

Auditor's Certificate of Corporate Governance

To
The Members of
Kadamb Constructions Limited
A-27, Amba Bari, Jaipur - 302 012

We have examined the compliance of conditions of corporate governance by Kadamb Constructions Limited, for the year ended 31st March, 2003, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination, conducted in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Maheshwari & Kedawat**
Chartered Accountants

Dated : 27.06.2003

Place : Jaipur

B. K. Parwal
Partner

AUDITOR'S REPORT

To,
The Members of **KADAMB CONSTRUCTIONS LIMITED**
Jaipur.

1. We have audited the attached Balance Sheet of **KADAMB CONSTRUCTIONS LIMITED**, as at 31st March 2003 and the relative Profit & Loss Account for the year ended on that date, both of which we have signed under reference to this report. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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 disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluation of the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required under the manufacturing and other companies (Auditors' Reports) order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we give in the annexure statement on the matters referred to in paragraph 4 & 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 purpose of the audit;
 - ii) in our opinion, the company has kept proper books of accounts as required by law so far, as appears from our examination of such books;
 - iii) the Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account;
 - iv) in our opinion, the Balance Sheet and Profit & Loss Account comply with Accounting standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable;
 - v) on the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors in terms of clause (g) of sub-section (1) to section 274 of the Companies Act, 1956;
 - vi) in our opinion and to the best of our information and according to explanations given to us, the said Balance Sheet and Profit & Loss read together with the significant accounting policies and other 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 so far as it related to the Balance Sheet of the state of affairs and at 31.03.2003 and
 - b) in so far as relates to the Profit & Loss Account of the profit of the company for the year ended on that date.
 - c) in the case of cash flow statement of the cash flow for the year ended on that date.

104, Navjeevan Chambers
Vinoba Marg, C-Scheme
Jaipur

For **Maheshwari & Kedar**
Chartered Accountants

Dated : 27.06.2003

B. K. Parwal
Partner

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 3 to our Report of even date to the members of
Kadamb Constructions Limited.

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. In our opinion and according to the information and explanations given to us the fixed assets, have been physically verified by Management of the company at reasonable intervals and no discrepancies have been noticed on such verification.
2. None of the Fixed Assets has been revalued during the year.
3. The stock of finished goods, stores, spares and raw material have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
4. In our opinion and according to information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
5. As per the information and explanations given to us, no discrepancy was noticed on physical verification of stock as compared to book records.
6. On the basis of our examinations of stocks records and according to information and explanations given by management of the Company, we are of the opinion that the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the previous year.
7. As per information and explanations given by the management, the Company has not taken any loan secured or unsecured from Companies, Firms or other parties listed in the Register maintained under section 301 of Companies Act, 1956 and / or from the Companies under the same management as defined under sub section (1B) of section 370 of the Companies Act, 1956.
8. The Company has not given any loan to companies, firms secured or unsecured other parties listed in the register(s) maintained under section 301 of the Companies Act, 1956 and / or to companies under the same management as defined under sub Section (1B) of Section 370 of the Companies Act, 1956.
9. In respect of Loans and Advances given by the company including to the employees, principal and interest instalments are being generally recovered according to the stipulation.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of building materials and stores, plant and machinery, equipments and other assets.
11. In our opinion and according to the information and explanations given to us, no transaction of purchases of goods and materials and sale of goods materials and services in pursuance of contract or 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 have been made.
12. According to information and explanations given to us, there were no unserviceable or damaged stores and construction materials.
13. The Company has not accepted any deposits from public.

14. According to the information and explanation given to us, the Company's Construction activity does not generate any by product. Hence no record for sale and disposal of realisable by products and scarp have been maintained by the company.
15. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
16. As informed to us the maintenance of Cost Records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 for the products manufactured by the Company.
17. According to the information and explanation given to us, Provident Fund and E.S.I. are not applicable to the Company.
18. According to the information and explanations given to us and the books and records produced before us there are no undisputed amounts payable in respect of Income-tax, wealth tax, sales tax, customs duty and excise duty outstanding as at 31.03.2003 for the period exceeding six months from the date they become payable.
19. According to the information and explanations given to us and records of the Company examined by us, no personal expenses have been charged to the Revenue Account, other than those payable under the contractual obligations or in accordance with the generally accepted business practices.
20. The Company is not a sick industrial company within the meaning of clause (o) of Section 3(1) of the Sick Industrial Companies (Special Provisions) Act, 1985.
21. As per the information and explanation given to us, no damaged goods of significant value has been determined during the year in respect of its trading activity.

For Maheshwari & Kedaw
Chartered Accountant

Place : Jaipur

Dated : 27.06.2003

B. K. Parwal
Partner

BALANCE SHEET as on 31st March, 2003

PARTICULARS	SCHEDULE No.	AMOUNT AS ON 31.03.2003 Rs.	AMOUNT AS ON 31.03.2002 Rs.
A. SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	37503000	37503000
Reserve & Surplus	2	2062334	924174
		<u>Sub Total</u>	<u>38427174</u>
Loan Funds :			
Secured Loan	3	516400	0
Unsecured Loan		0	0
		<u>Total (A)</u>	<u>38427174</u>
B. APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	2163959	1399236
Less : Depreciation		<u>459365</u>	<u>1704594</u>
			<u>374390</u>
			1024846
Investments	5	271200	1500000
Current Assets, Loans & Advances			
Accrued Interest		29463	64010
Inventories	6	6225181	6390856
Sundry Debtors	7	0	29500
Cash & Bank Balances	8	662632	157796
Loans & Advances	9	<u>32723336</u>	<u>30928826</u>
Sub Total		<u>39640612</u>	<u>37570988</u>
Less : Current	10		
Liabilities & Provisions		<u>1866519</u>	<u>2192960</u>
Net Current Assets		37774093	35378028
Deffered Tax Liability		-159874	-131542
Miscellaneous Expenditure	11	491721	655842
(to the extent not written off/adjusted)			
		<u>Total (B)</u>	<u>38427174</u>

Accounting Policies & Notes on Accounts 17

Schedule (1) to (11) & (17) forming an Integral Part of the Balance Sheet

As per our report of even date
For **MAHESHWARI & KEDAWAT**
Chartered Accountants

For and on behalf of the Board

B. K. Parwal
Partner

M. K. Gupta
Chairman cum
Mg. Director

Ganga Ram Khandelwal
Director

Heeru Gupta
Director

Place : Jaipur
Dated : 27.06.2003



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED as on 31st March, 2003

PARTICULARS	SCHEDULE No.	AMOUNT AS ON	
		31.03.2003 Rs.	31.03.2002 Rs.
INCOME			2395000
Sale of Construction Units		500000	2034731
Other Income	12	3770574	(2322226)
Increase / (decrease) in Stock	13	(165675)	
	Total	<u>4104899</u>	<u>2107505</u>
EXPENDITURES			0
Building		0	0
Materials Consumed	14	50000	
Construction Expenses	15		939760
Office, Administrations & Selling Expenses	16	1829433	164123
Miscellaneous Exps. written off		164123	<u>1103883</u>
		<u>2043556</u>	
Profit Before Interest, Depreciation & Income Tax		2061343	1003622
Interest		0	0
Depreciation		84975	71746
Expenses Related to earlier year		155392	2000
Income Related to earlier year		4400	51925
Profit Before Tax		1825376	981801
Provision for Income Tax			280083
- For Current Year		658884	49457
- For Deferred Tax		<u>28332</u>	<u>329540</u>
Profit After Tax		<u>1138160</u>	<u>652261</u>
Appropriation		500000	
Transfer to General Reserve		638160	652261
Transfer to Balance Sheet		<u>1138160</u>	<u>652261</u>

Accounting Policies & Notes on Accounts 17
Schedule 12 to 17 forming an Integral Part of the Profit & Loss Account

As per our report of even date
For **MAHESHWARI & KEDAWAT**
Chartered Accountants

For and on behalf of the Board

B. K. Parwal
Partner

M. K. Gupta
Chairman cum
Mg. Director

Ganga Ram Khandelwal
Director

Heeru Gupta
Director

Place : Jaipur
Dated : 27.06.2003

**SCHEDULES ATTACHED TO AND FORMING AN INTEGRAL PART OF THE ACCOUNTS
FOR THE YEAR ENDED as on 31st March, 2003**

(Amount in Rs.)

SCHEDULE 1 : SHARE CAPITAL

	Amount As on 31.03.2003	Amount As on 31.03.2002
Authorised Share Capital		
5500000 Equity Share Capital of Rs. 10/- each	55000000 <u>55000000</u>	55000000 <u>55000000</u>
Issued, Subscribed and Paid Up Share Capital		
2447500 Equity Share Capital of Rs. 10/- each issued for cash at par	24475000	24475000
Add : Shares Forefeiture Account	13028000 <u>37503000</u>	13028000 <u>37503000</u>

SCHEDULE 2 : RESERVE & SURPLUS

	Amount			Balance As on 31.03.2003
	Op. Balance	Additions	Deductions	
General Reserve	0	500000	0	500000
(PREVIOUS YEAR)	(0)	(0)	(0)	(0)
Profit & Loss Account	924174	1138160	500000	1562334
(PREVIOUS YEAR)	(353998)	(652261)	(82085)	(924174)
Total	<u>924174</u>	<u>1138160</u>	<u>500000</u>	<u>2062334</u>
Previous Year)	(353998)	(652261)	(82085)	(924174)

SCHEDULE 3 : SECURED LOAN

	Amount As on 31.03.2003	Amount As on 31.03.2002
Term Loan from ICICI Bank Ltd. against purchase of car Secured by Hypothecation of the car and personal guarantee of the Directors of the company)	516400 <u>516400</u>	0 <u>0</u>

SCHEDULE 4 : FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Opening Balance as on 1.4.02 Rs.	Add/(Del.) During the Year Rs.	As on 31.3.03 Rs.	Upto 31.3.02 Rs.	For the Year Rs.	Upto 31.3.03 Rs.	As on 31.3.03 Rs.	As on 31.3.02 Rs.
Office Premises	564000	0	564000	57528	9193	66721	497279	506472
Plant & Machinery	70850	0	70850	19019	3365	22384	48466	51831
Office Equipment	104677	16625	121302	17751	5213	22964	98338	86926
Computer, Printer & Software	181400	7060	188460	132633	29405	162038	26422	48767
Vehicle	0	741038	741038	0	7522	7522	733516	0
Furniture & Fixture	478309	0	478309	147459	30277	177736	300573	330850
Total	1399236	764723	2163959	374390	84975	459365	1704594	1024846
Previous Year	1362136	37100	1399236	302644	71746	374390	1024846	1059492

SCHEDULE 5 : INVESTMENTS

	No(s) of share	Amount 31.3.2003	No(s) of share	Amount As on 31.3.2002
Investment in Shares				
Long Term (Quoted and valued at cost)				
Union Bank of India (Aggregate Mkt. Value as on 31.3.03 Rs. 267500)	10700	171200	0	0
Total (A)	10700	171200	0	0
Long Term (Unquoted and valued at cost)				
Vardhman Resorts Pvt. Ltd. of Rs. 10/- Each fully paid up for cash at par	0	0	150000	1500000
Gajanan Build Estate Pvt. Ltd.	10000	100000	0	0
Total (B)		100000		1500000
Grand Total (A + B)		271200		1500000

SCHEDULE 6 : INVENTORIES

	Amount As on 31.3.2003	Amount As on 31.3.2002
INVENTORIES (AS VALUED & CERTIFIED BY THE MANAGEMENT OF THE COMPANY)		
Building Materials (Raw Materials) (Valued at cost)	29000	29000
Unallocated land / Land Related Exps. (Valued at cost)	917420	103700
Work in Progress (Flats/Shops) (Valued at estimated cost)	736730	83270
Flats (Finished) (Valued at estimated cost)	4542031	449200
	6225181	639000

SCHEDULE 7 : SUNDRY DEBTORS

	Amount 31.3.2003		Amount As on 31.3.2002	
Sundry Debtors (Unsecured, subject to confirmation / verifications and considered good)				
Exceeding Six Months	0		9000	
Others	0	0	20500	29500
	<u>0</u>	<u>0</u>	<u>20500</u>	<u>29500</u>

SCHEDULE 8 : CASH & BANK BALANCES

	Amount As on 31.3.2003		Amount As on 31.3.2002	
(A) Cash / Cheques in Hand		349407		44140
(B) Balance with Scheduled Bank In Current Account with				
(i) UCO Bank	10236		10306	
(ii) Global Trust Bank Limited	302989	313225	103350	113656
		<u>662632</u>	<u>103350</u>	<u>157796</u>

**SCHEDULE 9 : LOANS & ADVANCES
(UNSECURED AND CONSIDERED GOOD)**

	Amount As on 31.3.2003		Amount As on 31.3.2002	
Advances Recoverable in cash or in kind of for value to be received		1833125		1196954
Lease Deposit against Land (Given to Directors of the Co., against land)		0		4244380
Advances to Suppliers		85719		84619
Advances to Employees		11100		1600
Other Loans & Advances		12604363		18778244
Security Deposits		25029		23029
Equity Share Application Money		18164000		6600000
		<u>32723336</u>		<u>30928826</u>

SCHEDULE 10 : CURRENT LIABILITIES AND PROVISIONS

 Amount
As on 31.3.2003

 Amount
As on 31.3.2002

(A) CURRENT LIABILITIES

Sundry Creditors

(i) For Goods	86670	339469
(ii) For Expenses	192840	140933
(iii) For Capital Goods	0	33750
Advance from Customers against Flats / Shop booking	720000	1220000
Outstanding Expenses	184693	142494
Security Deposit Against Rent/Lease	0	18500
Unearned Interest	12193	15495
TDS Payable	11239	2236

Sub Total (A)
1207635
1912677
(B) PROVISIONS

Provision for Income Tax	658884	280083
Sub Total (B)	<u>658884</u>	<u>280083</u>

Grand Total (A + B)
1866519
2192960
SCHEDULE 11 : MISCELLANEOUS EXPENDITURES
(To the extent not written off / adjusted)

 Amount
As on 31.3.2003

 Amount
As on 31.3.2002

Preliminary Expenses	1300	1950
Public Issue Expenses	490421	653892
	<u>491721</u>	<u>655842</u>

SCHEDULE 12 : OTHER INCOME

	Amount As on 31.3.2003	Amount As on 31.3.2002
Interest	3687674	1842833
Rent	81400	147400
Maintainance Charges	1500	43500
Other Income	0	998
	3770574	2034731

SCHEDULE 13 : INCREASE / (DECREASE IN STOCK)

	Amount As on 31.3.2003	Amount As on 31.3.2002
Closing Stock	6196181	6361856
Less : Opening Stock	6361856	8684082
	-165675	-2322226

SCHEDULE 14 : BUILDING MATERIAL CONSUMED

	Amount As on 31.3.2003	Amount As on 31.3.2002
Opening Stock of Materials	29000	29000
Add : Purchases during the year	0	0
Sub Total	29000	29000
Less : Closing Stock	29000	29000
	0	0

SCHEDULE 15 : CONSTRUCTIONS EXPENSES

	Amount As on 31.3.2003	Amount As on 31.3.2002
Labour Cost	0	0
Electricity Fitting & Water Exps.	0	0
Architect Expenses	0	0
Construction Exps. with Materials	50000	0
	50000	0

SCHEDULE 16 : OFFICE, ADMINISTRATION AND SELLING EXPENSES

	Amount As on 31.3.2003	Amount As on 31.3.2002
Advertisement Expenses	26858	23962
AGM Expenses	4165	7500
Bank Charges	1160	1191
Bad-Debts	665131	21250
Books & Periodicals Expenses	0	1022
Brokerage	0	157500
Charity & Donations	60000	0
Directors Remuneration	120000	120000
Electricity & Water Expenses	23657	23891
Festival Expenses	6472	0
Internal Audit Expenses	138480	0
Legal & Professional Charges	175498	107050
Maintenance Charges of Office	13656	9129
Maintenance Expenses of Tilak- Nagar Project	41301	64454
Miscellaneous Expenses	0	412
Office Expenses	4376	7890
Postage & Telegram Expenses	3357	11491
Printing & Stationery Expenses	19371	18595
Repairs & Maintainance Expenses	15600	20924
Salary & Wages	414803	269818
Staff Welfare Expenses	11163	10918
Telephone Expenses	11619	17503
Directors Travelling Expenses	6523	0
Travelling & Conveyance Expenses	25093	6660
Vehicle Running & Maint Expenses	2550	0
Auditors Remuneration		
Audit Fee	30000	30000
In Other Capacity	7100	7100
Re-imbrushment of Expenses	1500	1500
	38600	38600
	1829433	93976

SCHEDULE 17 : NOTES FORMING PART OF ACCOUNTS.**1. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****A) BASIS OF ACCOUNTING :**

The accounts are prepared on the basis of historical cost convention and on the accounting principles of a going concern. All expenses and income to the extent ascertainable with reasonable certainty, considered payable and receivable, are accounted for on accrual basis, unless otherwise stated.

B) REVENUE RECOGNITION :

The Company followed contract method of accounting in respect of its construction activities. Under this method the turnover and profit on sale of residential and commercial units is effected only when the units are sold out.

C) FIXED ASSETS AND DEPRECIATION :

- i) Fixed Assets are valued at cost less accumulated depreciation.
- ii) Depreciation on fixed assets has been provided on straight line method at the rates prescribed under Schedule XIV to the Companies Act, 1956.
- iii) Depreciation on the fixed assets has been charged from the date they were first put to use.

E) INVENTORIES AND WORK IN PROGRESS :

- i) Construction material (Raw Material) are valued at estimated cost.
- ii) Work in progress is stated at estimated cost. The cost includes land and land development, if any, allocated land cost, construction and development expenses etc.
- iii) Finished Stock (Flats) is stated at estimated cost.

F) MISCELLANEOUS EXPENDITURE :

- i) Preliminary expenditure shown under the head Miscellaneous Expenditures, written off over a period of 10 years in equal instalment.
- ii) Deferred revenue expenditure shown under the head Miscellaneous Expenditures, written off over a period of 5 years in equal instalment.
- iii) Public issue expenses shown under the head Miscellaneous Expenditures, written off over a period of 10 years in equal instalments.

G) INVESTMENTS :

Investments are stated at cost. No adjustment is made in carrying cost for temporary decline in the value of investments.

H) TAXATION :

The provision for taxation is ascertained on the basis of assessable profits computed in

accordance with the provision of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2. Remuneration paid to Managing Director as per schedule XIII of the Companies Act, 1956 is Rs. 120000/- (Previous year Rs. 120000/-). Computation of net profit for the purpose of managerial remuneration, in accordance with the Companies Act, 1956 has not made since the terms of appointment do not envisage any payment by way of commission.
3. No provision has been made for liability on account of gratuity as none of the employee of the Company is eligible for gratuity under the relevant law on the subject.
4. Balance in respect of sundry creditors, loans and advances (including interest thereon) are subject to confirmation from respective parties.
5. Previous year's figures have been regrouped and rearranged wherever deemed necessary.
6. Figures are taken to the nearest of Rupee
7. As the Company's business activity falls within a single primary business segment viz. construction of flats the disclosure requirements of Accounting Standards (AS-17) "Segment Reporting", issued by The Institute of Chartered Accounts of India are not applicable.
8. "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The deferred tax charge of Rs. 28332/- for the year has been recognized in the profit and loss account as per Accounting Standard - 22.
9. There was no amount due to Small scale undertaking exceeding Rs. 1 lac each outstanding for more than 30 days at the close of the year. This disclosure is based on the documents / informations available with the company regarding their status of the small scale undertaking.
10. There is no contingent liability.

11. Related party disclosures under Accounting Standard 18

- | | |
|--|---------------------------|
| a) Enterprises in which the Company has control | Nil |
| b) Parties in respect of which the Company is a joint venture | Nil |
| c) Key management personnel | |
| Mr. M. K. Gupta | Chairman and Mg. Director |
| Mrs. Heeru Gupta | Director |
| d) Enterprises over which key management personnel and their relatives are able to exercise significant influence. | |

Jaipur Sales Pvt. Ltd., Mansi Sales Pvt. Ltd., Kadamb Builders, Ashi Bricks Industries, Jaipur Bricks Industries, City Time, City Steps, Smt. Heeru Gupta, Sidhi Vinayak Build Estate (P) Ltd., Gajanan Enclave Pvt. Ltd., Roop Beauty Care (P) Ltd., Maa Tara Ceramics Ltd., Sidhi Gansham Real Estate (P) Ltd.

Transaction with related parties during the year

	Rs.
a) Enterprises in which the Company has control	Nil
b) Parties respect of which the Company is in a Joint Venture	Nil
c) Key Management Personnel	Rs. 1.20 Lacs
Remuneration	Nil
Commission	
d) Enterprises over which key management personnel and their relatives are able to exercise significant influence	
1) Maa Tara Ceramics Ltd.	6400000
2) Gajanan Enclave (P) Ltd.	1640000
3) Sidhi Ganeshan Real Estate (P) Ltd.	6525000
4) Roop Beauty Care (P) Ltd.	2189000
Purchase of raw materials and components	Nil
Sale of components	Nil
Sales of fixed assets	Nil
Rent and other services	Nil
Guarantees given by the Company	Nil
Balance outstanding at the year end	
– Receivables (Lease Money)	Nil
– Payable	

10. Earning per Share

	<u>Current Year</u>	<u>Previous Year</u>
Profit after taxation as per profit and loss account (Rs.)	1138160	652221
No equity shares outstanding	2447500	2447500
Basic and diluted earnings per share in rupees (face value Rs. 10 per share)	0.47	0.17

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details

Registration No. - State Code

Registration Date
Date Month Year

Balance Sheet Date 31.03.2003

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	<input type="text" value="NIL"/>	Right Issue	<input type="text" value="NIL"/>
Bonus Issue	<input type="text" value="NIL"/>	Private Placement	<input type="text" value="NIL"/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	<input type="text" value="41948"/>	Total Assets	<input type="text" value="41948"/>
Source of Funds		Reserve & Surplus	<input type="text" value="2062"/>
	Paid-Up Capital* <input type="text" value="37503"/>	Unsecured Loans	<input type="text" value="NIL"/>
	Secured Loans <input type="text" value="516"/>	Investments	<input type="text" value="271"/>
Application of Funds		Misc. Expenditure	<input type="text" value="492"/>
	Net Fixed Assets <input type="text" value="1705"/>		
	Net Current Assets <input type="text" value="37774"/>		
	Accumulated Losses <input type="text" value="NIL"/>		

IV. Performance of Company (Amount in Rs. Thousands)

	Turnover (including other income)**	<input type="text" value="4271"/>	Total Expenditure***	<input type="text" value="2450"/>
<input checked="" type="checkbox"/> + <input type="checkbox"/> -	Profit/Loss Before Tax	<input type="text" value="1825"/>	Provision for Income Tax	<input type="text" value="687"/>
	Earning per share in Rs.	<input type="text" value="047"/>	Profit After Tax	<input type="text" value="1136"/>
			Dividend	<input type="text" value="NIL"/>

(Please tick Appropriate box + for Profit, - for Loss)

V. Generic Names of Three Principal Products/Services of Company (As per monetary Terms)

Products Description

including share forfeited account.
Turnover also includes the amount of other income.
including of depreciation & miscellaneous exps. w/off.



CASH FLOW STATEMENT

	As on 31.03.2003 Rs. in Lacs	As on 31.03.2002 Rs. in Lacs
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before tax and extra-ordinary items	11.38	6.52
Adjustment for :	0.85	0.72
a) Depreciation	1.64	1.64
b) Misc. Exps. Written off	0.28	0.50
c) Deferred tax	<u>14.15</u>	<u>9.38</u>
Operating profit before working capital change		
Adjustment for :	1.66	23.22
a) Inventories	(17.30)	(104.85)
b) Trade and Other receivables	-	-
c) Other current assets	(3.26)	6.14
d) Trade Payables and other current liabilities	<u>(18.90)</u>	<u>(75.29)</u>
Net Cash flow from operating activities		
B. CASH FLOW FROM INVESTING ACTIVITIES :	(7.85)	(0.37)
a) Purchase of fixed assets	12.29	67.00
b) Investment in Shares	<u>4.64</u>	<u>66.63</u>
Net Cash flow from investing & other activities		
C. CASH FLOW FROM FINANCING ACTIVITIES :		
a) Proceeds from share capital (including application money)	-	-
b) Working capital loan / repayment	5.16	-
c) Other Loan	-	-
d) Dividend Paid	<u>5.16</u>	<u>-</u>
Net Cash flow from financing activities		
D. NET INCREASE / DECREASE IN CASH CASH EQUIVALENTS (A+B+C)	5.05	0.72
(Opening Balance)	<u>1.58</u>	<u>0.86</u>
Cash and cash equivalent as at 31.03.2003 (Closing Balance)	<u>6.63</u>	<u>1.58</u>

As per our report of even date
For MAHESHWARI & KEDAWAT
Chartered Accountants

For and on behalf of the Board

B. K. Parwal
Partner

M. K. Gupta
Chairman cum
Mg. Director

Ganga Ram Khandelwal
Director

Heeru Gupta
Director

Place : Jaipur
Dated : 27.06.2003

Auditor's Certificate

We have examined the attached cash flow statement of KADAMB CONSTRUCTIONS LIMITED for the year ended March 31, 2003. The statement has been prepared by the company in accordance with requirements of clause 32 of Listing Agreement and is based on and in agreement with the Profit & Loss account and balance sheet of the company.

For MAHESHWARI & KEDAWAT
Chartered Accountants

Place : Jaipur
Dated : 27.06.2003

B. K. Parwal
Partner

QUANTITATIVE AND VALUE ANALYSIS :
(A) Sales of Construction Units
(Amount in Rs.)

Particulars	Unit	Quantity Sq Ft.	Value
Residential Flats	2 Room (M.N.)	339	500000
	(3)	(4302)	(2395000)

(B) Building Material Consumptions

Particulars	Unit	Quantity	Value
Cement	Bags	Nil (Nil)	Nil (Nil)
Steel	Tonnes	Nil (Nil)	Nil (Nil)
Other Material		Nil (Nil)	Nil (Nil)

(C) Quantitative and Value analysis of Closing stock
(a) Construction Material

Cement	Bags	200 (200)	29000 (29000)
Steel		-	-
Other Material		-	-
Sub Total (A)			29000 (29000)

(b) Work in progress

Construction and development of residential flats/shops			Nil 917420
Unallocated land / Land development expenses			(1037037)
Sub Total (B)			1654150 (199826)

Total (a + b)
1654150
(199826)
(D) Completed Residential Units

Earning in Foreign Currency	Nil	Nil	Nil
Expenses in Foreign Currency	Nil	Nil	Nil

Figures in brackets pertain to the Accounts for the previous year.
Signature to Schedule 1 to 17.
**As per our report of even date
For MAHESHWARI & KEDAWAT
Chartered Accountants**
For and on behalf of the Board
**B. K. Parwal
Partner**
**M. K. Gupta
Chairman cum
Mg. Director**
**Ganga Ram Khandelwal
Director**
**Heeru Gupta
Director**
**Place : Jaipur
Dated : 27.06.2003**