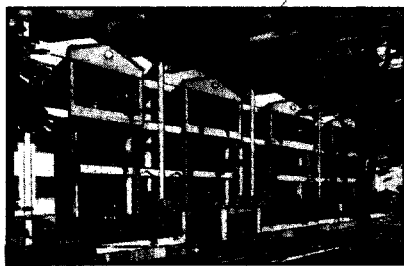
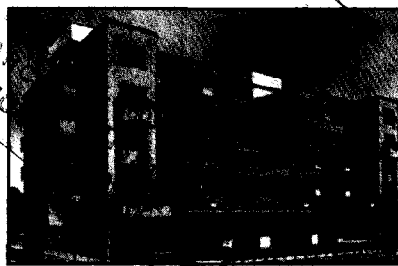


# 15TH ANNUAL REPORT 1 9 9 8 - 9 9



Sushant Floors



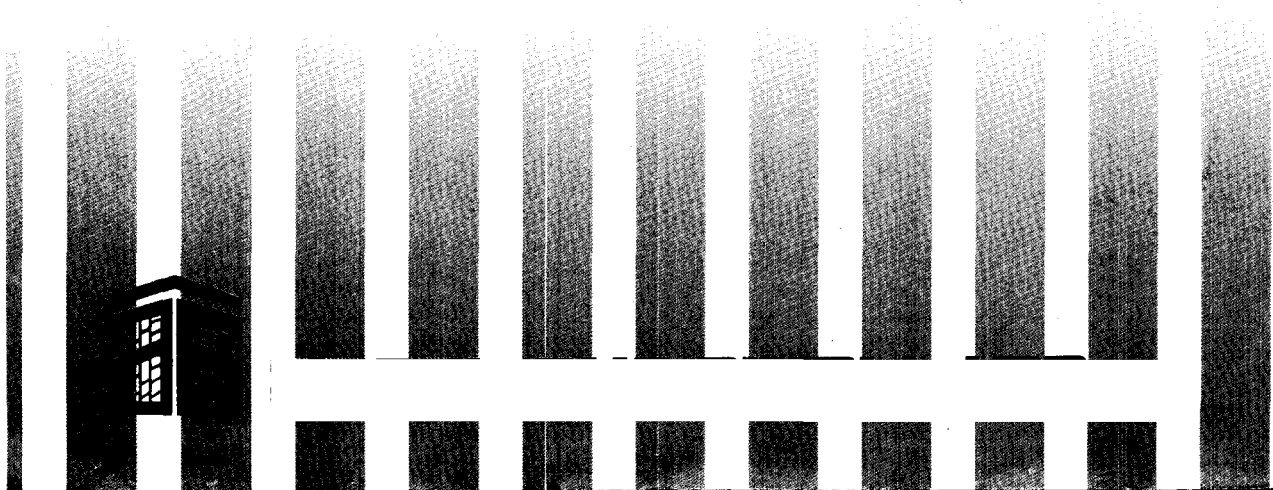
Navkriti Arcade



Shalimar Residency Floors



Sushant Tower





Chinar Cottage, Sushant Lok-II



Executive Residency, Sushant Lok-II

**ANSAL BUILDWELL LTD.****BOARD OF DIRECTORS**

Shri Sushil Ansal  
*Chairman*  
 Shri G. R. Gogia  
*Wholetime Director*  
 Shri Gopal Ansal  
 Shri Deepak Ansal  
 Shri Vipin Luthra  
 Shri M.S. Syali

**COMPANY SECRETARY**

Shri Ashok Babu

**AUDITORS**

M/s. Sekhri & Verma Associates  
 Chartered Accountants  
 New Delhi.

**BANKERS**

UTI Bank Ltd.  
 Corporation Bank  
 Oriental Bank of Commerce  
 Centurion Bank Ltd.

**REGISTERED OFFICE**

118, Upper First Floor,  
 Prakashdeep Building,  
 7, Tolstoy Marg,  
 New Delhi - 110 001.

**BRANCH OFFICES**

3-E, Jubilee Building,  
 45, Museum Road,  
 Bangalore-560 001.

1, Giri Nagar,  
 Ernakulam,  
 Kochi (Cochin) - 682 020.

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**ANSAL BUILDWELL LTD.****NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Fifteenth Annual General Meeting of the Company will be held on Thursday the 23rd September, 1999 at 3.00 P.M. at FICCI, Auditorium, Tansen Marg, New Delhi - 110001 to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1999 and the Profit & Loss Account for the Financial Year ended on that date together with the Directors' Report and Statutory Auditors' Report thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Sushil Ansal who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri M.S. Syali who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company and to fix their remuneration.

By Order of the Board

Regd. Office :  
118, Upper First Floor,  
Prakashdeep Building,  
7, Tolstoy Marg,  
New Delhi-110 001

(ASHOK BABU)  
Company Secretary

Dated: 29th July, 1999

**NOTES :**

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

Proxies in order to be effective must be received at the Registered Office of the Company not less than forty eight hours before the Annual General Meeting.

- b) Register of Members and the Share Transfer Books of the Company shall remain closed from 15th September, 1999 to 23rd September, 1999. (both days inclusive).
- c)(i) The Dividend on shares as recommended by Board of Directors, if declared, will be payable to those shareholders whose names appear in the Register of Members at the close of business hours on 23rd September 1999.
- (ii) No tax at source shall be deducted from the dividend amount payable to the shareholders. Tax will be paid by the Company @ 10% and surcharge @ 1% on total amount of dividend payable.
- d) Members who have not encashed the dividend warrants for any of the financial years 1994-95, 1995-96, 1996-97 & 1997-98 are requested to surrender the unencashed warrants to the Company and obtain payment. If the warrants are lost, members may write to the Company immediately.

- e) Members are requested to intimate to the Company at its Registered office, change, if any, in their address for mailing purposes.
- f) Members having multiple accounts in identical names or joint accounts in same order are requested to intimate the Company the ledger folios of such accounts to enable the Company to consolidate all such share holdings into one account.
- g) To avoid the misuse of dividend warrants, the shareholders are advised to send us the details of the Bank, its address, nature of account and number in format provided with this Annual Report, for printing the same on the dividend warrant before despatch.
- h) The members are requested to take note of the change in Registered Office of the Company and send their all communications in future at its new address.
- i) MEMBERS DESIRING ANY INFORMATION/CLARIFICATION ON THE ANNUAL ACCOUNTS ARE REQUESTED TO WRITE TO THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 7 DAYS BEFORE THE DATE OF ANNUAL GENERAL MEETING SO THAT THE SAME MAY BE COMPILED WELL IN ADVANCE

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MEMBERS ARE REQUESTED TO BRING THEIR COPY OF ANNUAL REPORT AT THE MEETING

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**ANSAL BUILDWELL LTD.****DIRECTORS' REPORT**

Dear Shareholder,

Your Directors have pleasure in presenting the Fifteenth Annual Report together with Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 1999.

**FINANCIAL RESULTS**

The Working Results of the Company are briefly given below:

	<b>Current Year</b> <b>(Rs. in Lacs)</b>	<b>Previous year</b> <b>(Rs. in Lacs)</b>
Sales & Other Income	<u>3227.58</u>	<u>2677.46</u>
Profit Before Interest & Depreciation etc.	615.76	493.52
<b>LESS</b>		
— Interest	332.69	319.37
— Depreciation	<u>12.10</u>	<u>4.79</u>
	<u>344.79</u>	<u>324.16</u>
	270.97	169.36
<b>LESS</b>		
— Previous Years' Adjustments	30.41	188.15
<b>ADD</b>		
— Surplus Profit Brought Forward From Previous Year	0.98	8.50
— Amount Transferred from General Reserve	—	<u>153.00</u>
	<u>241.54</u>	<u>142.71</u>
<b>APPROPRIATIONS</b>		
— Provision For Taxation	93.00	60.00
— Transfer To General Reserve	65.00	—
— Proposed Dividend @10% (Previous Year @10%)	74.30	74.30
— Tax on Proposed Dividend	<u>8.17</u>	<u>7.43</u>
— Surplus Profit Carried to Balance Sheet	<u>1.07</u>	<u>0.98</u>

**DIVIDEND**

Out of the profits of the financial year under review, your Directors are pleased to recommend for your approval dividend @ 10% for the year ended 31st March, 1999. If approved by shareholders, the dividend will absorb Rs. 74.30 lacs which will be tax free in their hands (Previous year Rs. 74.30 lacs).

**OPERATIONS**

The year under review has recorded for the growth in turn over and substantial improvement in profitability. The sales and other income have touched Rs. 32.28 crores showing an increase of 21% as compared to the previous years Rs. 26.77 crores. Gross profit is higher by 25% at Rs. 6.16 crores as against Rs. 4.94 crores in the preceeding year. Profit before tax at Rs. 2.71 crores is higher by over 60% as compared to Rs. 1.69 crores of last year. Out of the disposable surplus of Rs. 148.54 lacs, after setting aside Rs. 74.30 lacs towards proposed dividend @ 10% and Rs. 8.17 lacs for tax on proposed dividend a sum of Rs. 65 lacs has been transferred to General Reserves which stood at Rs. 829.88 lacs at the end of the year.

During the Financial Year under review, the Company was successful in achieving substantial progress in ongoing projects. Sushant Lok, Phase-II, the township on the outskirts of Delhi has been expanded by approximately 83 acres of land presently increasing its boundaries to 263 acres. It is our endeavour to add more acreage. Development work in the additionally licenced 83 acres is being executed in full swing.



Because of recession in Real Estate market, sale of plots has not been very encouraging. However, there was good response to the sale of built up dwelling units. Three schemes for residential floors were launched under the name of ROYALE CASA, ROYALE RESIDENCY & SUSHANT FLOORS and all of them had a very good response. These schemes will yield an additional turnover of Rs. 59.52 crores spread over 3 years.

Construction on most of the houses under the three earlier schemes namely CHINAR COTTAGES, SHALIMAR RESIDENCY FLOORS and EXECUTIVE RESIDENCY FLOORS numbering about 157 units has already commenced.

Possession of over 150 built up houses under the schemes ADHARSHILA and ANAND VATIKA has been offered to the buyers. It is heartening to note that some people have already started shifting to these houses.

NAVKRITI ARCADE, Rs. 5 crores Commercial Complex is complete and completion certificate has been received. Possessions have been offered to the various flat buyers.

Structural work of SUSHANT TOWER, Rs. 15 crores eight storeyed Commercial Complex, is complete and finishing work is in progress.

In Bangalore, construction of the Rs. 16 crores multi-storeyed Residential Complex KRSNA-I comprising of 72 units, is almost complete and occupancy certificate has been received. However KRSNA-II is yet to be completed and would take another 6 months to complete. Most of the possessions have been handed over. Construction of Rs. 15 crores Residential Complex ANSAL FORTE is in an advanced stage of construction. At CASA ANSAL one of the completed Residential Project, possession of flats has been handed over and conveyance deeds also registered in over 70% of the units.

At Cochin, a Rs. 15 crores Residential Project, ANSAL RIVERDALES, comprising of plots and independent villas is under development. Construction of houses is also progressing satisfactorily.

#### **PROSPECTS AND FUTURE OUTLOOK**

With the kind of response for built up units received, the Company during the current financial year is preparing to launch new built up schemes.

A residential group housing project "ANSAL VILLAMENTS" is being launched in Bangalore with an estimated turnover of Rs. 9 crores. The Company is in the process of negotiating/ finalising more residential and commercial projects which will add to the turnover and profitability of the Company in the ensuing years.

The Company has in hand and under execution projects with an aggregate value of over Rs. 400 crores which is fairly satisfying, assuring healthy and consistent growth in turnover with good profit potentials. A special encouraging feature is the settlement of litigation relating to the Rs. 200 crores Residential Project, ANSAL GARDENIA in Bangalore. The Karnataka High Court has given the verdict in favour of the owner with whom the Company has collaborated. Efforts are being made to obtain approvals expeditiously.

As the real estate market is sluggish in Delhi & Gurgaon, efforts are being made to explore markets in smaller towns of Uttarpradesh and Rajasthan. In this connection some collaborations are expected to be signed very shortly. One such collaboration agreement has already been signed for developing a large residential plot in Dehradun.

The Company is also thinking of diversifying into large Hi-tech Construction Contracts which has a good potential today.

Some Joint Ventures are being signed with overseas companies to facilitate entry into the Construction and Real Estate market of SAARC Countries and other Neighbouring Countries.

#### **STATUTORY STATEMENTS**

The Statement showing particulars of employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is