

17th Annual Report 2000-2001



ANSAL BUILDWELL LTD.

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

Shri Gopal Ansal
Chairman-Cum Managing Director
 Shri Subhash Verma
Wholetime Director
 Shri Deepak Ansal
 Shri K.S. Bakshi
 Shri M.S. Syali
 Shri Ashok Mehra

COMPANY SECRETARY

Shri Ashok Babu

AUDITORS

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

BANKERS

UTI Bank Ltd.
 Punjab National Bank
 Canara Bank
 Lord Krishna Bank Ltd.
 The Lakshmi Vilas Bank Ltd.
 Oriental Bank of Commerce

REGISTERED OFFICE

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

BRANCH OFFICES

57/19, Shiva Palace,
 Rajpur Road, Dehradun,
 Uttaranchal

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

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

CONTENTS	Page
Board	1
Notice	2-5
Directors' Report	6-9
Auditors' Report	10-11
Balance Sheet	12
Profit & Loss Account	13
Schedules	14-20
Statement of Cash Flows	21

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Seventeenth Annual General Meeting of the Company will be held on Tuesday, the 25th September, 2001 at 3.30 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, 2001 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 appoint a Director in place of Shri Gopal Ansal who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Ashok Mehra who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. Appointment of Shri Gopal Ansal, As Chairman cum Managing Director

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and 316 read with Schedule XIII, as amended from time to time, of the Companies Act, 1956, and other applicable provisions, if any, approval of the company be and is hereby accorded to the appointment of Shri Gopal Ansal as Chairman cum Managing Director of the Company for a period of 5 (five) years commencing from 1st August, 2001 to 31st July, 2006 on the remuneration and terms and conditions as set out below:

I. Salary

Salary of Rs. 80,000/- p.m. (Rupees eighty thousand per month) in the grade of Rs. 80000-10000-130000.

II. Perquisites

In addition to above, he shall be entitled to the following perquisites:

CATEGORY "A"

1. **Housing:** Rent Free furnished residential accommodation or in lieu thereof House Rent Allowance @ 25% of the salary over and above 10% payable by him.
2. **Gas, Electricity, Water and Furnishing :** Expenses incurred on gas, electricity, water and furnishing subject to a ceiling of 10(ten) percent of the salary.
3. **Medical Reimbursement:** Expenses incurred for self and his family members subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
4. **Leave Travel Concession:** For self and family members once in a year incurred in accordance with the Rules specified by the Company.
5. **Club Fees:** Fee of Clubs, subject to a maximum of two clubs. This will not include admission and life membership fee.
6. **Personal Accident Insurance:** Premium not to exceed Rs. 4000/- per annum.


ANSAL BUILDWELL LTD.
CATEGORY "B"

The following perquisites shall be allowed :

1. Company's contribution to Provident Fund @ 12% of the salary.
2. Company's contribution towards Superannuation Fund as per the rules of the Company's Superannuation Scheme as may be applicable from time to time, provided, however, that the Company's contribution to the Superannuation Fund together with the contribution to the Provident Fund shall not exceed 27% of the Salary, or any higher amount that may be permissible under the law.
3. Gratuity in accordance with the Rules of the Company as applicable to the Senior Executives of the Company but not exceeding one-half month's salary for each completed year of service.
4. Leave will be allowed with full pay and allowances as per the Rules of the Company.

CATEGORY "C"

Provision of car with driver and telephone at residence, for official purposes, provided that personal long distance calls on telephone and use of car for private purpose shall be recovered by the Company.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year the remuneration payable to Shri Gopal Ansal, Chairman cum Managing Director shall be regulated in accordance with Section II of part II of Schedule XIII of the Companies Act, 1956.

FURTHER RESOLVED THAT Board of Directors of the Company be and are hereby authorised to vary and/or modify terms and conditions related to the remuneration, perquisites and yearly increment to be provided to Shri Gopal Ansal, Chairman cum Managing Director of the Company in accordance with and as may be permitted by the Companies Act, 1956 and Schedule XIII for the time being in force and/or any amendments or modifications, including any guidelines or modifications or notifications as may be made by the Central Government from time to time.

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

By Order of the Board
For ANSAL BUILDWELL LTD.

ASHOK BABU
Company Secretary

Dated: 25th August, 2001

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) The Register of Beneficial owners, Register of Members and the Share Transfer books of the Company shall remain closed from 17th, September, 2001 to 25th September, 2001 (both days inclusive).

- c) Members who have not encashed the dividend warrants for any of the financial year 1994-95, 1995-96, 1996-97, 1997-98 & 1998-99 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.
- d) Members are requested to intimate the Company at its Registered office, change, if any, in their address for mailing purposes.
- e) 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.
- f) As per the amended provisions of the Companies Act, 1956, facility for making nominations is now available for shareholders, in respect of Equity shares, held by them. Nomination forms (Form 2B) can be obtained from the Registered Office of the Company.
- g) To facilitate the trading in demat form, your Company has joined the Depository System and established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (I) Limited (CDSIL) through In-House Share Registry, 3, Community Centre, Naraina Industrial Area, Phase-I, New Delhi-110028 (who are the Registrar and Share Transfer Agents for Demat Interface). Further the request for physical transfer of Shares should be sent to the Company at its registered office.
- h) 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
- i) Members are hereby informed that the Company has its own Registry and handles share transfers, transmission etc. and therefore the shareholders are requested to send their Share Certificates for Transfer to the Secretarial Department, Ansal Buildwell Ltd., 118, Upper First Floor, Prakashdeep Building, 7, Tolstoy Marg, New Delhi-110001 and also correspond with the Company for any of their queries/requests.

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



**ANSAL BUILDWELL LTD.****EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.****ITEM NO. 5**

The Board of Directors in their meeting held on 25th August, 2001 has appointed Sh. Gopal Ansal as Chairman cum Managing Director for a period of 5 (five) years with effect from 1st August, 2001 to 31st July 2006 and approved his remuneration in accordance with the provision of Section 198, 269, 309, 310, 311 and 316 read with schedule XIII of the Companies Act, 1956 subject to the approval of shareholders and such other approvals/permissions/consents as may be required. Shri Gopal Ansal is already a Managing Director of Ansal Properties & Industries Limited.

Shri Gopal Ansal is a qualified Civil Engineer (B.Sc. Engg.[Civil]) and is associated with the Company for the last over 10 years. He has to his credit vast, rich and varied experience in the field of development and construction of multistoried buildings in India and abroad and execution of large value hightech engineering projects on turnkey basis. Under his able guidance and direction, the company has executed large number of hightech engineering contracts and Real Estate Development Projects in India and abroad.

The Board recommends for passing the resolution for his appointment and payment of his remuneration as set out in the proposed resolution.

The draft agreement as approved by the Board of Directors in their meeting held on 25th August, 2001 shall be executed between Shri Gopal Ansal and the Company. The said draft Agreement shall be available for inspection by the members of the Company at the Registered Office of the Company on any working day during the business hours and at the Annual General Meeting.

Shri Gopal Ansal is interested/concerned in the Resolution. Shri Deepak Ansal being related to him, may also deemed to be interested in the Resolution. No other director is interested in or concerned with the Resolution.

This may further be treated as an abstract of the terms of appointment and Memorandum of Interest of Shri Gopal Ansal pursuant to Section 302 of the Companies Act, 1956.

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New Delhi-110 001

By Order of the Board
For ANSAL BUILDWELL LTD.

ASHOK BABU
Company Secretary

Dated: 25th August, 2001

DIRECTORS' REPORT

Dear Shareholder,

Your Directors have pleasure in presenting the Seventeenth Annual Report together with Audited Statements of Accounts of the Company for the Financial Year ended 31st March, 2001.

FINANCIAL RESULTS

The Working Results of the Company are briefly given below:

	Current Year (Rs. in Lacs)	Previous year (Rs. in Lacs)
Sales & Other Income	<u>4320.69</u>	<u>3755.13</u>
Profit Before Interest & Depreciation etc.	574.83	560.15
LESS:		
— Interest	393.84	316.52
— Depreciation	<u>33.75</u>	<u>24.85</u>
	147.24	218.78
LESS:		
— Previous Years' Adjustments	—	33.48
ADD:		
— Surplus Profit Brought Forward From Previous Year	<u>2.37</u>	<u>1.07</u>
	149.61	186.37
APPROPRIATIONS		
— Provision For Taxation	66.00	84.00
— Transfer To General Reserve	<u>80.00</u>	<u>100.00</u>
	146.00	184.00
— Surplus Profit Carried over to Balance Sheet.	<u>3.61</u>	<u>2.37</u>

DIVIDEND

In view of your Company's requirement of funds for deployment in new Real Estate ventures, both within and outside India, it is necessary to conserve resources. Therefore, no dividend is proposed for the year ended 31st March, 2001.

OPERATIONS

Your Company has been able to sustain sales and other Income during the year under review despite on going economic recession in the country. The sales and other income during the year under review is Rs. 43.20 crores as compared to Rs.37.55 crores in the previous year. Gross profit stands as Rs. 5.74 crores as against Rs. 5.60 crores in the preceding year. Profit before tax is Rs. 1.47 crores. Out of the disposable surplus of Rs. 83.61 lacs, a sum of Rs. 80 lacs has been transferred to General Reserves which stood at Rs. 1012.42 lacs at the end of the year. The higher profitability could not be achieved because of general recession in the economy and the downward trend of the Real Estate business during the year under review.

During the Financial Year under review, the Company has achieved substantial progress in ongoing projects. The Sushant Lok, Phase-II colony on the outskirts of Delhi is being expanded further by acquiring contiguous lands. Licence applications and land use conversion applications are under process. The development works in the additional licenced lands are in progress. As the recession in the Real Estate Market continues, sale of properties has been a difficult task. However, efforts made to target middle income group clientele by offering independent floors, the offered price of which suits the budget of this particular class of buyers, has proved to be a success. The work on Independent Houses is in an advanced stage of completion while the construction activities on Independent Floor