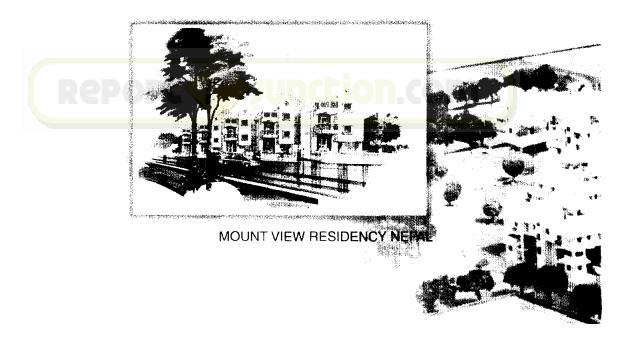


MOUNT VIEW RESIDENCY NEPAL



FLORENCE HOMES





BOARD OF DIRECTORS

Shri Gopal Ansal

Chairman-Cum Managing Director

Shri Deepak Ansal

Shri Deepak Ansal Shri Subhash Verma Shri K.S. Bakshi

COMPANY SECRETARY Shri Ashok Babu

AUDITORS M/s. Sekhri & Verma Associates

Chartered Accountants

New Delhi.

BANKERS Punjab National Bank

Punjab National Bank Canara Bank Punjab & Sindh Bank UTI Bank Ltd.

Lord Krishna Bank Ltd. The Lakshmi Vilas Bank Ltd.

REGISTERED OFFICE 118, Upper First Floor,

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.

57/19, Shiva Palace

Rajpur Road, Dehradun, Uttaranchal

**CONTENTS** Page **Board** 1 Notice 2-3 Directors' Report 4-7 8-15 Corporate Governance Report 16-17 Auditors' Report **Balance Sheet** 18 Profit & Loss Account 19 Schedules 20-29 Statement of Cash Flows 30 **Subsidiary Company** 31-41 - Ansal Chaudhary Developers Pvt. Ltd.

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#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Eighteenth Annual General Meeting of the Company will be held on Thursday, the 26th September, 2002 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, 2002 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 K.S. Bakshi who retires by rotation and, being eligible, offers himself for re-appointment.
- 3. To appoint Statutory Auditors of the Company and to fix their remuneration.

In this connection, to consider and if thought fit, to pass the following Resolution as an Ordinary Resolution with or without modification:

"RESOLVED that M/s. Sekhri & Associates, Chartered Accountants, 104-105, 28 Feroze Gandhi Road, Lajpat Nagar-III, New Delhi-110024 be and are hereby appointed Statutory Auditors of the Company in place of the retiring Auditors M/s. Sekhri & Verma Associates, E-20, Lajpat Nagar-III, New Delhi-110024 who have, in writing expressed their unwillingness to be reappointed as auditors of the Company after the conclusion of the Eighteenth Annual General Meeting of the Company and that M/s. Sekhri & Associates, Chartered Accountants will hold the office of Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on a remuneration to be fixed by the Board of Directors of the Company".

By order of the Board for Ansal Buildwell Ltd.

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

ASHOK BABU
Company Secretary

Dated: 27th August, 2002

#### 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, 2002 to 26th September, 2002 (both days inclusive).
- c) It is confirmed that unpaid/unclaimed Dividend for the year 1992-93 and 1993-94 have already been transfered to the General Revenue Account of the Central Government within the prescribed

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- time. 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 to 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 form (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 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) As per the Indian Stamp(Delhi Amendment)Act, 2001, Schedule IA, Article 62(a) the stamp duty payable on share transfers has been increased from 50 Paise for every hundred rupees to 75 Paise for every hundred rupees or part thereof w.e.f. 30th July, 2001. So kindly ensure that share transfer stamps are affixed on the Share Transfer deeds as per new rate, else the transfer deed shall be liable to be rejected.
- j) Members are hereby informed that the Company has its own Registry and handles share transfers, transmission etc. and therefore the shareholders holding shares in physical form, are requested to send their Share Certificate 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

## DIRECTORS' REPORT

Dear Shareholder,

Your Directors have pleasure in presenting the Eighteenth Annual Report together with Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2002.

#### FINANCIAL RESULTS

The Working	Results of	f the Company	are briefly	given below-
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The working Results of the Company are orieny g			_	•
	Current Year (Rs. in Lacs)		Previous year (Rs. in Lacs)	
Sales & Other Income		<u>5171.59</u>		4320.69
Profit Before Interest & Depreciation etc.		706.65		574.83
LESS:				
Interest	536.82		393.84	
— Depreciation	46.24	583.06	33.75	427.59
		123.59		147.24
ADD:				
— Surplus Profit Brought Forward From Previous Ye	ar	<u>3.61</u>		2.37
		127.20		149.61
APPROPRIATIONS				
— Provision For Taxation	50.77		66.00	
<ul> <li>Provision for Deferred</li> </ul>				
Tax Liability	3.63		0.00	
Transfer To General Reserve	68.00	122.40	80.00	146.00
— Surplus Profit Carried over to Balance Sheet.		4.80		3.61
•				

#### **DIVIDEND**

In view of your Company's proposed investments 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, 2002.

## **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. 51.72 crores as compared to Rs. 43.20 crores in the previous year. Gross profits stands as Rs. 7.07 crores as against Rs. 5.74 crores in the preceding year. Profit before tax is Rs. 1.24 crores. Out of the disposable surplus of Rs. 72.80 lacs, a sum of Rs. 68 lacs has been transferred to General Reserves which stood at Rs. 1059.26 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 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 has been expanded further by acquiring contiguous lands. Licence applications and land use conversion applications are under process. Licence to develop the additional land acquired has been granted by the Government. 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 difficult task. However efforts made to target middle income group clientele by offering independent floors and low cost expandable houses, 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 Schemes, sold in the last two Financial Years like Sushant Floors, Royale Residency, Royale Casa, Flexi Homes, Florence Homes are progressing at a good pace.

The habitation in the colony is gradually picking up. Handing over of physical possession to flat buyers of "Navkriti Arcade" a commercial complex is under process, while as work of another commercial complex, "Sushant Towers" is nearing completion.

In Bangalore, the residential project, Krsna-II is virtually complete while another residential complex, "Ansal Forte" has been completed upto 80%. As regards Cochin, the residential project, "Ansal Reverdales" comprising of plots and independent villas, is under development and construction on sold units is in progress.

On construction contracts front the work on Shillong Project whose client is M/s North Eastern Indira Gandhi Regional Institute of Health & Medical Sciences is progressing well.

# PROSPECTS AND FUTURE OUTLOOK

Even though property prices have been on a downward trend in the last five years, we expect the scene to change. To this effect the Company is expanding its horizon in Gurgaon by procuring additional lands and has already succeeded in this to some extent. During the current Financial Year fresh licences for additional lands procured have been obtained and new built-up schemes launched.

Company is trying to procure some more Hi-tech Engineering Contracts in addition to the two contracts valued at about Rs. 45 Crores in North-East Sector of the country, which are in progress. The Company has also entered into Agreements with other companies to work on back to back basis for execution of projects worth Rs. 125 Crores.

The project launched in Hills of Uttranchal State at Dehradun is progressing well both in terms of sales as well as construction. The construction work on houses sold and development works are progressing at a rapid pace.

The two projects launched by the Company in association with its Joint Venture partner, M/s Choudhary Group Nepal are completely sold out and construction activities are going on. As far as "Kathmandu Residency Project" is concerned 65% of physical work is already completed, while as construction of "Mount View Residency", Phase-I and Phase-II(the second project) has commenced and is progressing well.

You will be pleased to note that your Company is seriously exploring the possibilities of entering Infrastructural and Tourism related projects. In addition to this, continuing efforts are being made to enter into the smaller towns of Uttar Pradesh, Rajasthan, Haryana and Punjab.

#### STATUTORY STATEMENTS

None of the employees of the Company was in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 for the whole of the year under review or any part thereof. Therefore 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 not annexed hereto.

As regards disclosure under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, it has been advised that the disclosure of particulars relating to Conservation of Energy is not applicable to the Company.

The Company has so far not undertaken any Research & Development activities or Development of any Technology in the field of constructions. Provision relating to disclosure of information in respect

of foreign exchange earnings and outgo as required under Rule 2(C) is already given in Para 2(c) & (d) of Part B of Schedule 13 'Notes on Accounts' forming part of Audited Annual Accounts. In view of insufficient information from the suppliers regarding their status as SSI units, amount due to Small Scale Industrial Undertakes as on 31st March, 2002 can not be ascertained.

## CORPORATE GOVERNANCE

Corporate Governance and Management Discussions and Analysis Report alongwith certificate of the Auditors of your Company pursuant to clause 49 of the Listing Agreement with the Stock exchanges has been included in this Report as Annexure. Your company has been practising the principles of good Corporate Governance over the years. The Board of Directors supports the broad principles of Corporate Governace. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integerity.

## SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The results of M/s Ansal Chaudhary Developers (Pvt.) Ltd., Nepal, the subsidiary of the Company is attached to this Report alongwith the statement specified in Section 212 of the Companies Act, 1956. Since the subsidiary Company closes its accounts as on 15th July, and the audited accounts were available upto 15th July, 2001, the consolidated financial statements could not be prepared as per Accounting Standard-21.

## DEPOSITORY SYSTEM

Pursuant to the directions of the Securities and Exchange Board of India (SEBI) effective from 26th March, 2001 trading in the Company's shares in dematerialization form has been made compulsory for all investors. Dematerialised form of trading would facilitate quick transfers and save stamp duty on transfer of shares. However, members are free to keep the shares in physical form or to hold the shares with a "DEPOSITORY PARTICIPANT" in demat form. For this purpose the Company has appointed M/s. In-house Share Registry as Registrar of the Company. The specific ISIN No. allotted to the Company by NSDL and CDSL is INE030C01015.

#### FIXED DEPOSITS

Fixed Deposits from the public, shareholders and employees as on 31st March, 2002 stood at Rs. 324.60 Lacs. Thirty Five Deposits amounting to Rs. 11,74,000/- remained unclaimed as on that date and out of above Thirty Three deposit amounting to Rs. 8,10,000/- were claimed as refund/renewal in the current year. However, the balance amount of Rs. 3,64,000/- still remains unclaimed.

#### **DIRECTORS**

Shri Subhash Verma, Wholetime Director of the Company has tendered his resignation from the Wholetime Directorship of the Company w.e.f. 1st June, 2002 due to his pre-occupation. But his Directorship in the Company continues. Shri M.S.Syali has also tendered his resignation w.e.f. 30th April, 2002 due to his pre-occupation. Shri Ashok Mehra has also tendered his resignation w.e.f. 30th July, 2002 due to his pre-occupation. The Board of Directors places on record its deep appreciation of the valueable services rendered by Shri Subhash Verma during his tenure as Wholetime Director of the Company and Shri M.S. Syali and Shri Ashok Mehra during their tenure as Directors of the Company.

Shri K.S. Bakshi, Director of the Company retire, by rotation and being eligible, offers himself for reappointment.



## DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under:

- (i) That in the preparation of the Annual Account, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- (ii) That the directors had selected such accounting policies and 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 at the end of the financial year and of the profit of the Company for that period;
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors had prepared the annual accounts on a going concern basis.

# LISTING OF SECURITIES

The securities of the Company continue to be listed on Delhi, Mumbai, Jaipur, Uttar Pradesh and Ahmedabad Stock Exchanges and Annual Listing Fees to all these Stock Exchanges have been paid upto the year 2002-2003. Your Directors have pleasure to inform that there is no outstanding grievance/complaint of any shareholder/investor with any Stock Exchange.

#### **AUDITORS**

The retiring Auditors of the Company M/s Sekhri & Verma Associates have expressed in writing that they will not be able to continue as Auditors of the Company after the conclusion of the ensuing Annual General Meeting. It is proposed to appoint M/s. Sekhri & Associates, Chartered Accountants, 104-105, 28 Feroze Gandhi Road, Lajpat Nagar-III, New Delhi-110024, as Auditors of the Company.

## ACCOUNTS AND AUDITORS' REPORT

The observations of the Auditors are self-explanatory and/or suitably explained in Notes to the Accounts.

#### **ACKNOWLEDGEMENTS**

The Directors wish to place on record their thanks and gratitude to:

- i) The Central and State Governments, as well as their respective Departments and Development Authorities connected with the business of the Company for their co-operation and continued support:
- ii) The Bankers and Housing Finance Companies as well as other Institutions for the financial facilities and support;
- iii) The Members, Depositors, Suppliers/Contractors for the trust and confidence reposed and to the customers for their valued patronage.

The Board also takes this opportunity to express their sincere appreciation of the efforts put in by the employees at all levels for achieving the results and hopes that they would continue their sincere and dedicated endeavour towards achieving better working results during the current year.

Registered Office:

118, Upper First Floor, Prakashdeep Building, 7, Tolstoy Marg, New Delhi - 110001.

for & on behalf of the Board

GOPAL ANSAL Chairman-cum-Managing Director

Dated: 27th August, 2002

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## COMPLIANCE REPORT ON CORPORATE GOVERNANCE

# 1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages assisting the top management of the company in the efficient conduct of its business, attainment of highest levels of transparency, accountability protecting the interest of creditors and employees and meeting its obligations to the shareholders.

Your Company's policy is aimed at achieving quality management services at all levels and to adhere to all the laws, rules, regulations meant for corporates at all times and have the best management team that can also effectively monitor corporate decisions for sustained growth.

#### 2. Board of Directors

# a) Composition and Category of Directors

The Board of Directors consists of two promoter Directors (one executive Chairman and Managing Director and one Non-executive Director) and four Non-executive Directors.

The Composition of Directors, their attendance at Board Meetings during the Financial Year 2001-2002 and last Annual General Meeting and their other Directorships/Committee Memberships in other Companies are as follows:

As on 31st March, 2002

						As on Si.	viarch, zuuz
Name of Directors	Category	Attendance Particulars		Directorships held in Other Companies *		Committee Memberships held in other Companies **	
		Board Meeting	Last AGM	As Director	As Chairman	As Director	As Chairman
Shri Gopal Ansal	P-CMD	6	Yes	4	1	3	1
Shri Deepak Ansal	P-NED	5	Yes	6	1	_	_
Shri Subhash Verma	WTD	6	Yes	2		3	
Shri M.S. Syali	NED	2	Yes	1			
Shri K.S. Bakshi	NED	0	Yes	1			
Shri Ashok Mehra	NED	6	Yes	1		1	

P Promoter

NED Non-Executive Director

CMD Chairman cum Managing Director P – NED Promoter Non-Executive Director

- \* Excludes Directorships held in Private Limited Companies, Foreign Companies, Companies U/s 25 of the Companies Act, 1956 and Memberships of managing Committees of various Chambers/Institutions.
- \*\* Memberships/Chairmanships of Audit Committee, Shareholders' Grievance Committee and Remuneration Committee have been considered.

During the year 2001-2002 Shri Sushil Ansal resigned on 16.08.2001 from the Board of Directors of the Company. Shri Subhash Verma, Wholetime Director of the Company has tendered his resignation from the Wholetime Directorship of the Company w.e.f. 1st June, 2002 due to his pre-occupation. But his Directorship in the Company continues. Shri M.S. Syali has also tendered his resignation w.e.f. 30th April, 2002 due to his pre-occupation. Shri Ashok Mehra has also tendered his resignation w.e.f. 30th July. 2002 due to his pre-occupation.