



ANSAL BUILDWELL LTD.

BOARD OF DIRECTORS

Shri Gopal Ansal
Chairman-Cum Managing Director
Shri Deepak Ansal
Shri Subhash Verma
Shri V. P. Verma
Shri K.S. Bakshi

Sr. G.M. & COMPANY SECRETARY

Shri Ashok Babu

AUDITORS

M/s Sekhri & Associates
Chartered Accountants
New Delhi

BANKERS

Punjab National Bank
Canara Bank
Punjab & Sind Bank
Indian Overseas Bank
HDFC Ltd.

REGISTERED OFFICE

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

**REGISTRAR & SHARE
TRANSFER AGENT**

Intime Spectrum Registry Ltd.
A-40, 2nd Floor,
Naraina Industrial Area,
Phase - II, Near Batra Banquet Hall,
New Delhi - 110 028

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Third Annual General Meeting of the Company will be held on Wednesday, the 26th September, 2007 at 11.00 a.m. at Sri Sathya Sai International Centre and School, Lodhi Road, Institutional Area, Pargati Vihar, New Delhi-110 003 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2007 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 Subhash Verma who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri K.S. Bakshi 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.

SPECIAL BUSINESS

6. Revision of salary grade of Shri Gopal Ansal, Chairman cum Managing Director of the Company. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and any other applicable provision, if any, of the Companies Act, 1956 and provisions of Articles of Association of the Company and subject to necessary approvals and consent as may be required, and as recommended by the Board of Directors and Remuneration Committee at their meetings held on 29th June, 2007, approval of the shareholders be and is hereby accorded for increase in remuneration of Shri Gopal Ansal, Chairman cum Managing Director with effect from 1st April, 2007 for the remaining period of his tenure i.e. upto 31st March, 2009 on the terms and conditions as set out below.

I BASIC SALARY

Basic Salary of Rs. 2,25,000/- (Rupees Two Lac Twentyfive thousand only) per month in the grade of Rs. 2,25,000 – 25,000 – 2,50,000.

II. PERQUISITES

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

1. Housing : Residential Furnished Accommodation (Company Leased) or in lieu thereof House Rent Allowance upto 40% of the basic salary.
2. Gas, Electricity, Water and Furnishings: The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% (ten percent) of the basic 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. Club Fees: Fee of Clubs, subject to a maximum of two clubs but this shall not include entrance fee or life membership fee.
5. Personal Accident Insurance: Premium not to exceed Rs. 5,000/- per annum.
6. Company's contribution to provident fund @ 12% of the salary or at such other rate as per the laws applicable in this behalf from time to time.
7. Gratuity in accordance with the Rules of the Company as applicable to the Senior Executives of the Company for each completed year of service.
8. Leave as per Company Rules.
9. Provision of Car with driver and free Telephone/Communication facilities at Residence for business purpose.

III. COMMISSION

Upto 1% of the Net Profit of the Company for each financial year computed in accordance with the provision of Section 349 and 350 of the Companies Act, 1956, subject however, that his total remuneration including gross salary, perquisites and commission shall not exceed the overall ceilings of 5% of net profits as laid down under section 198 and 309 of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors/Remuneration Committee of the Company be and is hereby authorized to vary and/or revise the remuneration of the said Chairman cum Managing Director within the permissible limits under the provisions of the Companies Act, 1956 or any statutory amendments thereto from time to time and to settle any question or difficulty in connection therewith or incidental thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director, payment of salary, perquisites and other allowances shall be as aforesaid subject to the limits/approvals prescribed under Section II of the part-II of the Schedule-XIII of the Companies Act, 1956 as applicable from time to time and the actual remuneration payable shall be as recommended by the Remuneration Committee and approved by the Board of Directors of the Company."

Registered 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
Sr. G.M. & Company Secretary

Date : 29th June, 2007

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 FORTYEIGHT HOURS BEFORE THE ANNUAL GENERAL MEETING.



- b) The Explanatory Statment pursuant to Section 173(2) of the Companies Act, 1956 in respect to special business as set out in Item No. 6 is annexed hereto.
- c) The Register of Beneficial Owners, Register of Members and the Share Transfer books of the Company shall remain closed from 17th September, 2007 to 26th September, 2007 (both days inclusive).
- d) (i) Dividend, if declared, will be payable to those members whose names appear in the Register of Members/ Beneficial Owners as on the 26th September, 2007. As regards shares held in electronic form, the dividend will be payable to the 'beneficial owners' of share whose names appear in the statement of beneficial ownership furnished by the Depositories as at the end of business hours on the 16th September, 2007.
(ii) No tax at source shall be deducted from Dividend amount payable to the members. Tax will be paid by the Company at the flat rate of 12.5% on the total amount of dividend payable and surcharge thereon @ 10% and education cess thereon @ 2%.
- e) Members holding shares in physical form are requested to send physical transfer of shares and notify change in address, if any, to the Company's Registrar and Share Transfer Agents (RTA) M/s Intime Spectrum Registry Limited, A-40, 2nd Floor, Naraina Industrial Area, Phase - II, Near Batra Banquet Hall, New Delhi - 110 028 quoting correct Folio Number(s) and in case of shares held in dematerialized form to the concerned Depository Participant.
- 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) The Company has already transferred all unclaimed dividend declared upto the financial year ended 31st March, 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Any claim for payment of such unclaimed dividend should be made by an application in the prescribed form to the Registrar of Companies, NCT of Delhi and Haryana, New Delhi at the address : Paryavaran Bhawan, IInd Floor, CGO Complex, Lodhi Road, New Delhi - 110 003.
- h) Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the dividend for the financial year ended 31st March, 1995, 1996, 1997, 1998 and 1999 which remained unclaimed/unpaid for a period of seven years have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956. Further, the shareholders who have not en-cashed their dividend warrant(s) for the year ended 31st March, 2005 and 31st March, 2006 are requested to surrender the un-en-cashed dividend warrants to the Company and obtain payment by writing to the Company or its Registrar and Share Transfer Agent immediately. It may also be noted that pursuant to Section 205B of the Companies Act, 1956, once the unclaimed divided is transferred to the Investor Education & Protection Fund as stated above, no claim against the Company shall lie in respect thereof.
- i) Trading in the shares of the Company has been made compulsory in dematerialized form w.e.f. 26th March, 2001. The Company has already joined the Depository System and the ISIN for the shares of the Company is INE 030C01015. Members, who desire to have their holding of shares in dematerialized form are requested to approach the Company's RTA through a Depository Participant.



- j) The Members desirous of appointing their nominee for the shares held by them, may apply in the revised Nomination Form (Form 2-B) as amended by the Central Government vide their notification No. GSR 836(E) dated 24th October, 2000.
- k) Investors holding shares in physical mode are advised, with a view to provide protection against fraudulent encashment of dividend warrants, to forward the particulars of their bank account, name, branch and address of the bank immediately, if not sent already, so as to enable us to incorporate the same on the dividend warrants.
- Investors holding physical shares are further advised to opt for Electronic Clearing System (ECS) to avail fast and safe remittance of dividend and return the Mandate Form at the earliest accurately filled and signed. A photocopy of a leaf of your cheque book bearing your bank account number may also be sent alongwith the Mandate Form to the Share Transfer Agent. A blank ECS Mandate Form is attached herewith.
- l) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on working days between 11.00 A.M. to 1.00 P.M. upto the date of Annual General Meeting.
- m) The relevant information of Directors, by way of brief resume, seeking reappointment/revision in remuneration under item no. 3, 4 and 6 as required under clause 49 of the listing Agreement with the Stock Exchange are annexed hereto.
- n) Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.
- o) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- p) MEMBERS DESIRING ANY INFORMATION/CLARIFICATION ON THE ANNUAL ACCOUNTS ARE REQUESTED TO WRITE TO THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE DATE OF ANNUAL GENERAL MEETING SO THAT THE SAME MAY BE COMPILED WELL IN ADVANCE.

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

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No.6

Shri Gopal Ansal was reappointed as Chairman cum Managing Director of the Company for a period of 3 years w.e.f 1st April, 2006 vide Special Resolution passed at the Annual General Meeting held on 30th September 2005 and his remuneration was approved in accordance with the provision of Sections 198, 269, 309, 310, 311 read with Schedule XIII of the Companies Act, 1956. Due to his strenuous efforts, the Company achieved exponential growth in profitability. The Remuneration Committee and the Board of Directors, in their meeting held on 29th June 2007, after taking into account his achievements and considering inflationary trends in the country and increase in the level of the



remuneration of the managerial persons in the similar industries, recommended and approved the increase in the remuneration of Shri Gopal Ansal, Chairman cum Managing Director of the Company which is commensurate with his qualification, experience and the responsibilities entrusted to him, in terms of authorisation conferred on them by the members vide Special Resolution passed at the Annual General Meeting held on 30th September 2005.

Shri Gopal Ansal is a qualified Civil Engineer (B.Sc.Engg. Civil) and is associated with Ansal group for the last 35 years. During his tenure as above, the Company has gained several new heights by way of number of projects, turnover and profitability etc. He has to his credit vast, rich and varied experience in the field of development and construction of multistoreyed buildings and execution of large value hi-tech engineering projects on turnkey basis. The Company has already executed a large number of commercial, residential and real estate development projects under his able guidance.

In terms of Section 198, 269, 309, 310 read with amended Schedule - XIII of the Companies Act, 1956, Shareholders' approval by way of Special Resolution is necessary for increase in his remuneration upto an amount as stated in the Resolution at Item No. 6 of the accompanying Notice. The increase in remuneration to be paid to Shri Gopal Ansal has been recommended by the Remuneration committee and approved by the Board of Directors in accordance with the statutory guidelines/provisions of the Companies Act, 1956, and provision of Articles of Association of the Company.

Your Directors recommend to pass the proposed resolution given in Item No. 6 as a Special Resolution.

All relevant documents in connection with above can be inspected by the members, of the Company at its Registered office on any working day during business hours 11.00 A.M. to 1.00 P.M. upto the date of ensuing Annual General Meeting.

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

The aforesaid payment of remuneration of Shri Gopal Ansal, Chairman cum Managing Director may be regarded as abstract of variation in terms of appointment and memorandum of interest under Section 302 of the Companies Act, 1956.



DETAIL OF DIRECTORS SEEKING RE-APPOINTMENT/REVISION IN THE REMUNERATION AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of the Directors	Shri Gopal Ansal	Shri Subhash Verma	Shri K.S. Bakshi
Date of Birth	05/07/1948	02/06/1942	26/10/1946
Date of Appointment/reappointment	01/04/2006	31/07/2000	29/08/2000
Experience in specific functional areas	He is a qualified Civil Engineer and is associated with 'Ansal Group' for the last 35 years. He is a Director of the Company for the last 17 years and he was appointed as Chairman and managing Director of the Company w.e.f. 1st August, 2001 for a period of 5 years and reappointed on 1st April, 2006 for a period of 3 years. He has to his credit vast, rich and varied experience in the field of development and construction of multi-storeyed buildings, and execution of large value of hi-tech engineering projects on turnkey basis. Under his able guidance and direction, the Company has executed large number of commercial, Residential and Real Estate Development Projects.	He is a qualified Engineer with over 42 years. rich and varied experience in planning and execution of various projects in different parts of the country e.g. Roads, Highways and hi-tech construction projects. His main forte is planning, sale and marketing both for domestic and international projects. He is an Associate Member of the Institute of Chartered Engineers.	He is a qualified Civil Engineer over 38 years of professional experience in the field of Civil Engineering (Execution and Planning) and Real Estate Development in different parts of the country e.g. a) Resurfacing and Extension of Runways at 39 Airports including quarrying and other earth works. b) Designing and Resurfacing of about 750 Kms. of Highways in India and Abroad. c) Construction of Multi-Storey Luxury Flats and Housing and Commercial Complexes.
Directorship in other Indian Public Ltd. Companies	M/s Ansal Engineering Projects Ltd.	M/s Ansal Engineering Projects Ltd.	1. M/s Bakshi Investment Ltd. 2. M/s OSE Infrastructure Ltd.
Chairman/Member of Committee of the Board of Public Ltd. Companies	As Chairman 1. Share Transfer & Shareholders Grievances Redressal Committee – M/s Ansal Buildwell Ltd. As Member 1. Audit Committee – M/s Ansal Buildwell Ltd.	As Chairman 1. Audit Committee – M/s Ansal Buildwell Ltd. 2. Remuneration Committee – M/s Ansal Buildwell Ltd. As Member 3. Share Transfer & Shareholders Grievances Redressal Committee – M/s Ansal Buildwell Ltd.	Nil

**DIRECTORS' REPORT**

Dear Shareholder,

Your Directors have pleasure in presenting the Twenty Third Annual Report together with Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2007.

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	12,036.50	11,431.92
Profit Before Interest & Depreciation etc.	1984.61	830.10
LESS:		
— Interest	748.59	332.98
— Depreciation	108.78	102.65
	1,127.24	394.47
ADD:		
— Surplus Profit Brought Forward from Previous Year	20.45	9.37
	1,147.69	403.84
APPROPRIATIONS		
— Provision For Taxation	427.20	239.57
— Provision for Deferred Tax Liability	(-) 24.09	(-) 18.26
— Transfer To General Reserve	558.00	35.00
— Proposed Dividend	132.91	111.45
— Dividend distribution tax	18.64	15.63
	1,112.66	383.39
— Surplus Profit Carried to Balance Sheet	35.03	20.45

DIVIDEND

Your Directors are pleased to recommend, for your approval, payment of Dividend at the rate of 18% on equity shares for the year ended on the 31st March, 2007 (Previous Year 15%), which, if approved by the shareholders in the ensuing Annual General Meeting will absorb Rs. 151.55 Lacs approx. including payment of tax, surcharge and cess thereon.

REVIEW OF OPERATIONS

The year under review has recorded growth in turnover and improvement in profitability. The sales and other income have touched Rs. 120.36 crores showing an increase of 5.28% as compared to the previous years Rs. 114.32 crores. Profit before tax at Rs. 11.27 crores is higher by over 186% as compared to Rs. 3.94 crores of last year. Out of the disposable surplus of Rs. 744.57 lacs, a sum of Rs. 151.55 lacs has



been kept for dividend and dividend tax and a sum of Rs. 558 lacs has been transferred to General Reserves which stood at Rs. 1871 lacs at the end of the year.

The operational performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report and the same forms part of this Directors' Report.

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 annexed hereto and forms part of this Report.

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 construction. Provision relating to disclosure of Information in respect of foreign exchange earnings and outgo as required under Rules 2(C) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 is already given in Para 2(c) & (d) of Part B of Schedule 12 of Notes on Accounts' forming part of Audited Annual Accounts.

Information in respect of small scale undertakings as on 31st March, 2007 is also given in para 6 of Part B of Schedule 12 of Notes on Accounts forming Part of Audited Annual Accounts.

ISO 9001:2000 CERTIFICATION

We have immense pleasure to inform all of you that your Company has been awarded ISO 9001:2000 Certification on 13th August, 2004.

ISO is a powerful set of statistical and management tool that can create dramatic increase in systematic productivity, customers satisfaction and shareholders' value. Your Company continues to adhere to its true spirit, along with the systems and procedures laid down in its "QUALITY MANUAL".

CORPORATE GOVERNANCE

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

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Audited Balance Sheet as at 31st March, 2007 and Profit & Loss Accounts for the year ending as on that date together with the Reports of Directors' and Auditors' thereon of M/s Ansal Chaudhry Developers (P) Ltd., (Nepal) the Subsidiary Company is attached herewith. The Audited Balance Sheet as at 31st March, 2007 together with the Reports of Directors and Auditors' Report of M/s Rahul Buildwell Pvt. Ltd., (Nepal), M/s Rahul Township Pvt. Ltd., (Nepal), M/s A.C. Shelters Pvt. Ltd., (Nepal), M/s A.C. Infrastructure & Development Pvt. Ltd., (Nepal), the Subsidiary Companies are



also enclosed. The consolidated Balance Sheet of Ansal Buildwell Limited and its subsidiary companies for the Financial Year ended 31st March, 2007 and Profit and Loss Account for the Financial year ended on that date together with the Schedules are also attached hereto.

The statement pursuant to section 212 of the Companies Act 1956, containing the details of subsidiary companies as on 31st March 2007 is enclosed as annexure.

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 Intime Spectrum Registry Ltd. as Registrar and Share Transfer Agent(RTA) of the Company. The specific ISIN No. allotted to the Company by NSDL and CDSL is INE030C01015.

FORFEITURE OF SHARES

During the year under review, the Company had forfeited 45904 equity shares for non payment of allotment money for long period of time. The Company complied all the formalities in this connection. The Bombay Stock Exchange has also taken on record the above forfeiture of the equity shares.

FIXED DEPOSITS

Fixed Deposits from the public, shareholders and employees as on 31st March, 2007 stood at Rs. 235.31 lacs. 56 Deposits amounting to Rs. 13,62,000/- remained unclaimed as on that date and out of above, 21 deposits amounting to Rs. 5,91,000/- were claimed as refund/renewal in the current year. However, the balance amount of Rs. 7,71,000/- still remains unclaimed.

DIRECTORS

Shri Subhash Verma and Shri K.S. Bakshi, Directors of the Company retires by rotation and being eligible, offers themselves for re-appointment.

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 Accounts, the applicable Accounting Standards had been followed and no material departures have been made from the same.
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments 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 the Companies Act 1956, 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.