

ANNUAL REPORT 1999-2000

33

*Each moment is a golden opportunity.
An opportunity to learn, to create, to help,
to love, to fully live.*

- Ralph Marston



Developing, crafting, giving shape to ~~the~~ ~~dream~~ ~~the~~ ~~dream~~



ANSAL PROPERTIES & INDUSTRIES LTD.




**ANSAL PROPERTIES
& INDUSTRIES LTD.**
BOARD OF DIRECTORS

Shri Sushil Ansal
Chairman
Shri Gopal Ansal
Managing Director
Shri G.R. Gogia
Whole Time Director
Shri Deepak Ansal
Shri D.N. Davar
Dr. Bansi Dhar
Dr. R.C. Vaish
Shri Rahul C. Kirloskar
Shri S.C. Dikshit (UTI Nominee)
Air Chief Marshal
O.P. Mehra (Retd.)
Directors

GENERAL MANAGER & COMPANY SECRETARY

Shri S.S. Gupta

AUDITORS

M/s. Khanna & Annadhanam
Chartered Accountants
New Delhi-110 001.

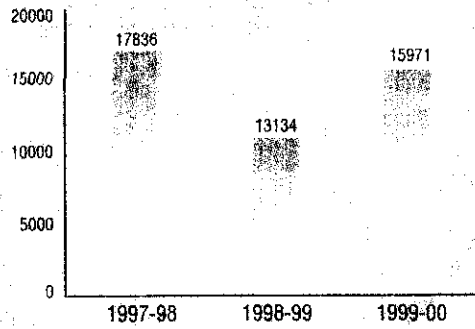
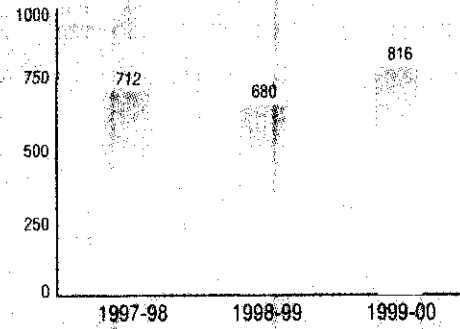
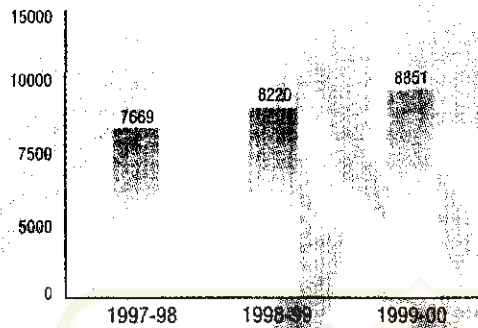
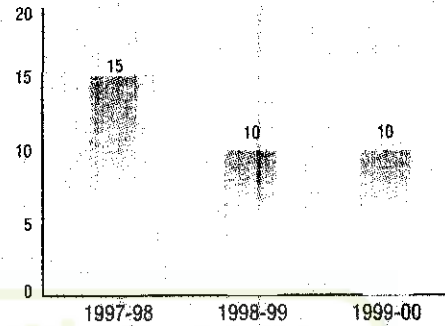
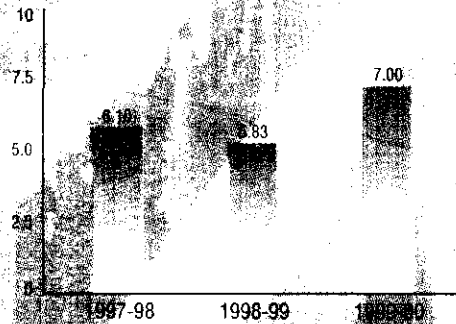
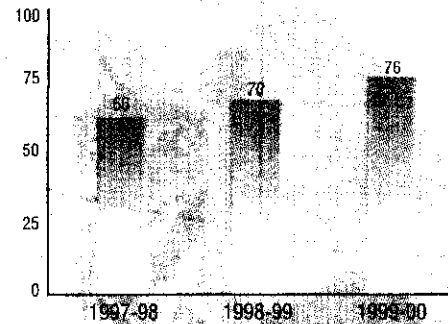
BANKERS

Punjab National Bank
Oriental Bank of Commerce
SBI Commercial & International Bank Ltd.
The Sanwa Bank Ltd.
The Lakshmi Vilas Bank Ltd.
The Bank of Rajasthan Ltd.
Indusind Bank Ltd.
The Jammu & Kashmir Bank Ltd.

REGISTERED OFFICE

115, Ansal Bhawan,
16, Kasturba Gandhi Marg,
New Delhi - 110 001

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FINANCIAL HIGHLIGHTS**SALES & OTHER INCOME (RS. IN LACS)****PROFIT AFTER TAX (RS. IN LACS)****NET WORTH (Excluding Revaluation Reserve)(RS. IN LACS)****DIVIDEND (%)****EPS (RS.)****BOOK VALUE (RS.)**



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the Company will be held on Monday, the 25th day of September, 2000 at 3.00 P.M. at the FICCI Auditorium, Tansen Marg, New Delhi-110 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri D. N. Davar who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. R. C. Vaish 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. To approve appointment of Shri G.R. Gogia, as a Director of the Company.

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

"RESOLVED THAT Shri G.R. Gogia, who was appointed as an Additional Director w.e.f. 1st August, 2000 to hold office upto the date of this Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956, has been received together with a deposit of Rs.500/- from a member signifying his intention to propose Shri G.R. Gogia as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

7. To Appoint Shri G.R. Gogia as Whole Time Director of the Company

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 read with Schedule-XIII of the Companies Act, 1956 as amended from time to time and other applicable provisions, if any, of the Act and of the Articles of Association of the Company, Shri G. R. Gogia be and is hereby appointed as a Wholetime Director of the Company for a period of 5 years commencing from 1st August, 2000 on the remuneration, perquisites and other terms and conditions as set out below.

I Salary

Salary of Rs.80,000/- (Rupees Eighty Thousand Only) per month in the grade of Rs.60,000-5,000-1,25,000.

II Perquisites

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

PART "A"

- a) **Housing:** House Rent allowance @ Rs. 20,000/- (Rupees Twenty thousand only) per month provided that the Board of Directors may vary the rate of house rent allowance or in the alternative arrange residential accommodation for him subject to the amount not exceeding 60% of the salary.
- b) **Medical Reimbursement:** Expenses incurred for self and his family members subject to a ceiling of one months' salary in a year or three months salary over a period of three years.
- c) **Leave Travel Concession:** For self and family members once in a year incurred in accordance with the Rules specified by the company.

PART "B"

- a) **Provident Fund:** Company's contribution to Provident Fund @ 12% of the salary.



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- b) **Super Annuation Fund:** 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.
- c) **Gratuity:** Gratuity in accordance with the Rules as applicable to the Senior executives of the Company but not exceeding one-half month's salary for each completed year of service.
- d) **Leave:** Leave will be allowed with full pay and allowances as per the Rules of the Company.
- e) **Period of Service :** The total period of his services with Ansal Group Companies will be accounted for the payment of all retirement benefits.

PART "C"

Car and Telephone: Provision of car with driver and telephone at residence for official business of the Company.

Provided further that the aggregate of remuneration payable to him shall not individually exceed 5% of the net profit in a financial year and 10% of the net profit taken together of all the working directors.

RESOLVED FURTHER THAT

- (i) In the event of loss or inadequacy of profits in any financial year the remuneration payable to Shri G. R. Gogia, Whole Time Director shall be regulated in accordance with Section II of part II of Schedule XIII of the Companies Act, 1956.
 - (ii) The Board of Directors of the company be and is hereby authorised to vary and/or modify terms and conditions related to the remuneration, perquisites and yearly increment to be provided to Shri G. R. Gogia, Whole Time Director of the Company, in accordance with the provisions of the Companies Act, 1956 including Schedule XIII for the time being in force or as amended/modified from time to time by the Central Government.
 - (iii) The agreement may be terminated by either side giving three months' notice in advance."
- 8. To issue further Equity Shares and/or partly or fully convertible Debentures aggregating to Rs. 50 crores.**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to offer, subscribe and issue equity shares of Rs.10/- each aggregating in value to Rs.50 crores (inclusive of premium) and/or partly or fully convertible Debentures, for cash, at a premium to be decided by the Board of Directors in consultation with the Lead Managers/ Advisors, keeping in view the relevant guidelines issued by SEBI from time to time, and other concerned agencies, out of the Authorised Capital of the Company in the manner as may be decided, ranking pari passu in all respects with the existing equity shares of the Company, except that the equity shares so allotted will qualify for dividend, if any, which may be declared in the financial year immediately following the financial years in which the allotment of shares becomes effective in proportion to the amount paid up.

RESOLVED FURTHER THAT the equity shares/debentures so offered shall be subject to the provisions of Companies Act, 1956, the Memorandum and Articles of Association of the Company, and the terms of offer and Application Forms etc.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to decide terms and conditions and basis of issue and allotment of the Equity Shares and/or partly or fully convertible debentures in terms of this Resolution and to prescribe necessary forms/letters etc. to determine the amounts payable on application/allotment/calls etc., if any, and to accept any modifications in the quantum and/or amount of premium and to settle all questions, disputes, differences or difficulties that may arise, in such manner as the Board may in its absolute discretion deem fit, proper and in the best interest of the Company in respect thereof and to decide all matters as may be relevant or incidental for the purposes mentioned in this Resolution."


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9. To Authorise for creation of mortgage to secure term loans and/or issue of debentures not exceeding Rs.100 crores.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT the consent of the Company be and is hereby accorded pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956 to the Board of Directors of the Company (The Board) for creating such mortgage(s) of and/or charging, on such terms and conditions and on such time or times as they may think fit, the whole or substantially the whole or any one or more of the Company's undertakings or all its undertakings, including the present and/or future properties, whether movable or immovable comprised in any and/or existing and/or new undertakings of the company, as the case may be, together with the power to take over the management of the business and concern of all or any such undertaking(s) of the company in certain events, in favour of lenders of term loans not exceeding Rs.100 crores or in favour of the Trustees or Agents and Trustees to be appointed by the Board for the holders of the debentures upto the value not exceeding Rs.100 crores proposed to be issued by the Company as security for debentures together with interest thereon, and further compound interest if any thereon, commitment charges, liquidated damages, remuneration of Trustees/ Agents and Trustees, costs, charges, expenses and other monies, payable in the above connection in terms of the agreement to be entered into between the Company and the Trustees/ Agents and the Trustees in respect of debentures, such security to rank pari passu with or second or subservient to the mortgages or charges already created or to be created in future by the Company or in such manner as may be agreed to between the concerned parties and as may be thought expedient by the Board and further that the Board be and is hereby authorised to finalise and execute the documents and any other deeds papers and writings for creating the aforesaid mortgages and/or charges and to do all such acts deeds and things as may be necessary or expedient for implementing this Resolution."

10. To Approve amendments in "MAIN OBJECTS" by inserting a new sub- clause in Clause IIIA of the Memorandum of Association.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT pursuant to Section 17 and any other applicable provisions of Companies Act, 1956, approval of the Company be and is hereby accorded to the amendments of the "MAIN OBJECTS" of the Company as appearing in Clause IIIA of Memorandum of Association of the Company by addition of following sub-clause as sub-clause 8 after existing sub-clause No.7. Clause No. 8.

To buy, sell, take or give on lease or hire purchase, exchange, import, export, supply, be retailers or wholesalers or distributors or agents or otherwise deal in all kinds of goods and/or merchandise and to do all the activities related to trading of all types of goods and/or merchandise including opening and running of outlet(s), showroom(s), shop(s), super market(s) etc. on ownership or rental basis or through any other arrangement and to enter into partnership, collaboration, joint venture or any other arrangement including accepting franchiseship, dealership, distributorship, agentship of all types of goods and merchandise with and/or from any person or body corporate to do trading in goods and/or merchandise of all types and to obtain necessary licences, approvals, registrations etc. related to trading of all types of goods and/or merchandise from any government or quasi- government or any other authority or institution or association and to maintain and operate warehouses, godowns, stores and other infrastructure related to storage, transport and supply of all types of goods and/or merchandise."

11. To make investment upto Rs. 12 crore in Equity Capital of Competent Clubs Pvt. Ltd.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT pursuant to the provisions of Section 372A of the Companies Act, 1956, subject to other approvals as may be required, the consent of the company be and is hereby accorded to make an investment upto a sum of Rs. 12 crores in equity shares, at par, of Competent Clubs Pvt. Ltd., by way of private placement to be made by the said Company notwithstanding that such



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investment together with the Company's existing investments in other bodies corporate and loans to or guarantees/securities provided on behalf of other bodies corporate, be in excess of the percentage prescribed under Section 372A (1) of the said Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised and empowered to accept the modification(s) and alteration(s) in the aforesaid equity participation as may be envisaged and to take such steps and to do all necessary acts, things, or matters as may be incidental thereto, to give effect to this resolution."

12. To Furnish Corporate Guarantees under section 372A of the Companies Act, 1956 within a ceiling of Rs.50 crores.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT pursuant to Section 372A of the Companies Act, 1956 and any other approvals if required, consent of the Company be and is hereby accorded to provide corporate guarantee(s) in favour of any person including to any other body corporate in connection with loans given by any other person to or to any other person by any body corporate upto a total amount not exceeding Rs.50 crores in addition to corporate guarantees already provided notwithstanding that such furnishing of corporate guarantees together with the Company's existing investments in other bodies corporate and loans to or guarantees/securities provided on behalf of other bodies corporate, be in excess of the percentage prescribed under Section 372A (1) of the said Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to execute the said corporate guarantee(s) within aforesaid ceiling limit and to take such steps and to do all necessary acts, things, deeds or matters as may be incidental thereto, to give effect to this resolution."

13. To approve participation in a joint venture with a Haryana State Government's Corporation for developing High-tech Information Technology Buildings in Electronic City in Gurgaon.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT pursuant to Section 372A and other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to make an investment upto Rs.25 crores in a Company to be incorporated in joint venture with a Haryana State Government's Corporation notwithstanding that such investment together with the Company's existing investments in other bodies corporate and loans to or guarantees/securities provided on behalf of other bodies corporate, be in excess of the percentage prescribed under Section 372A (1) of the said Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary or expedient for implementing this resolution."

14. To Pledge equity shares as security for loan availed by Ansal Hotels Ltd., from TFCI.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT the pursuant to the provisions of Section 372A and any other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to provide security by way of pledging of 10,50,000 equity shares of Ansal Hotels Ltd.(AHL), in addition to 13,12,150 equity shares of AHL already pledged by the Company for loan availed by AHL from Tourism Finance Corporation of India (TFCI), notwithstanding that such providing of security by way of pledging of equity shares together with the Company's existing investments in other bodies corporate and loans to or guarantees/ securities provided on behalf of any other body corporates, be in excess of the percentage prescribed under Section 372A of the said Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised and empowered to do all necessary acts, deeds or things as they may deem fit to give effect to the above resolution."

Regd.Office:
115, Ansal Bhawan,
16, Kasturba Gandhi Marg,
NEW DELHI - 110 001
Dated: 28th August, 2000

By Order of the Board
for ANSAL PROPERTIES & INDUSTRIES LTD.

(S. S. GUPTA)
General Manager & Co. Secretary


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NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF 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 relevant explanatory statement pursuant to section 173 (2) of the Companies Act, 1956, in regard to special business set out in items Nos. 6 to 14 is annexed herewith.
- c) Register of Members and the Share Transfer books of the Company shall remain closed from 16th September, 2000 to 25th September, 2000.
- d) i) Dividend, if declared, will be payable to those shareholders whose names appear in the Register of Members at the close of business hours on 25th September, 2000.
ii) No Tax at source shall be deducted from the Dividend amount payable to the shareholders. Tax will be paid by the Company at a flat rate of 20% and surcharge thereon @ 10% on the total amount of dividend payable.
- e) As required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, it is confirmed that unpaid/unclaimed final dividends as per details given below have been transferred to the General Revenue Account of the Central Government within the prescribed time:

Dividend for the year ended	No. of Shareholders	Amount (Rs.)	Date of Transfer
31st March, 1993	1025	39,761	08.11.96
31st March, 1994	2580	7,43,908	18.11.97

Shareholders who have not encashed the dividend warrants for the said periods are requested to claim the amount from the Registrar of Companies, NCT of Delhi & Haryana, C.G.O. Complex, IInd Floor, Paryavaran Bhawan, New Delhi-110 003.

- f) Members who have not yet encashed the dividend warrants for the financial year ended on 31st March, 1995 onwards till 31st March, 1999 are requested to surrender the un-cashed warrants to the Company and obtain payments. The balance lying in unpaid dividend Account opened for the above purposes shall be transferred to the Investor Education Protection Fund of the Central Government established under the provisions of Section 205A read with Section 205C of the Companies Act, 1956. It may also be noted that once unclaimed dividend is transferred to the Central Government Account as stated above, no claim shall lie either against the fund or against the Company in respect of individual amount of Dividend which remains unclaimed
- g) Members are requested to intimate the Company at its Registered Office, change, if any, in their address, for mailing purpose.
- h) Members having multiple accounts in identical names or joint accounts in same order are requested to intimate the Company the ledger folio of such accounts to enable the Company to consolidate all such shareholdings into one account.
- i) TO AVOID THE MISUSE OF DIVIDEND WARRANT THE SHAREHOLDERS ARE ADVISED TO SEND US THE DETAILS OF THE BANK, ITS ADDRESS, NATURE OF ACCOUNT AND NUMBER, FOR PRINTING ON THE DIVIDEND WARRANT BEFORE DESPATCH.



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- j) 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.
- k) 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 Properties & Industries Ltd., 115, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi-110 001 and also correspond with the Company for any of their queries/requests.
- l) In terms of Notification No. SMDRP/POLICY/CIR./2000 dated 29.5.2000 of Securities & Exchange Board of India, the trading in the equity shares of the Company has been made compulsory in dematerialised form w.e.f. 26th February, 2001. The Company has joined the Depository System and its shares are being permitted for conversion to the DEMAT form shortly. The Company has appointed M/s. In-House Share Registry, 3, Community Centre, Naraina Industrial Area, Phase-I, Near Payal Cinema, New Delhi-110028, as Registrar and Transfer Agent (RTA) under Electronic mode. Members who desire to have their holding of shares dematerialised are requested either to approach the Company or to RTA through Depository Participant.
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MEMBERS ARE REQUESTED TO BRING THEIR COPY OF ANNUAL REPORT AT THE MEETING.

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