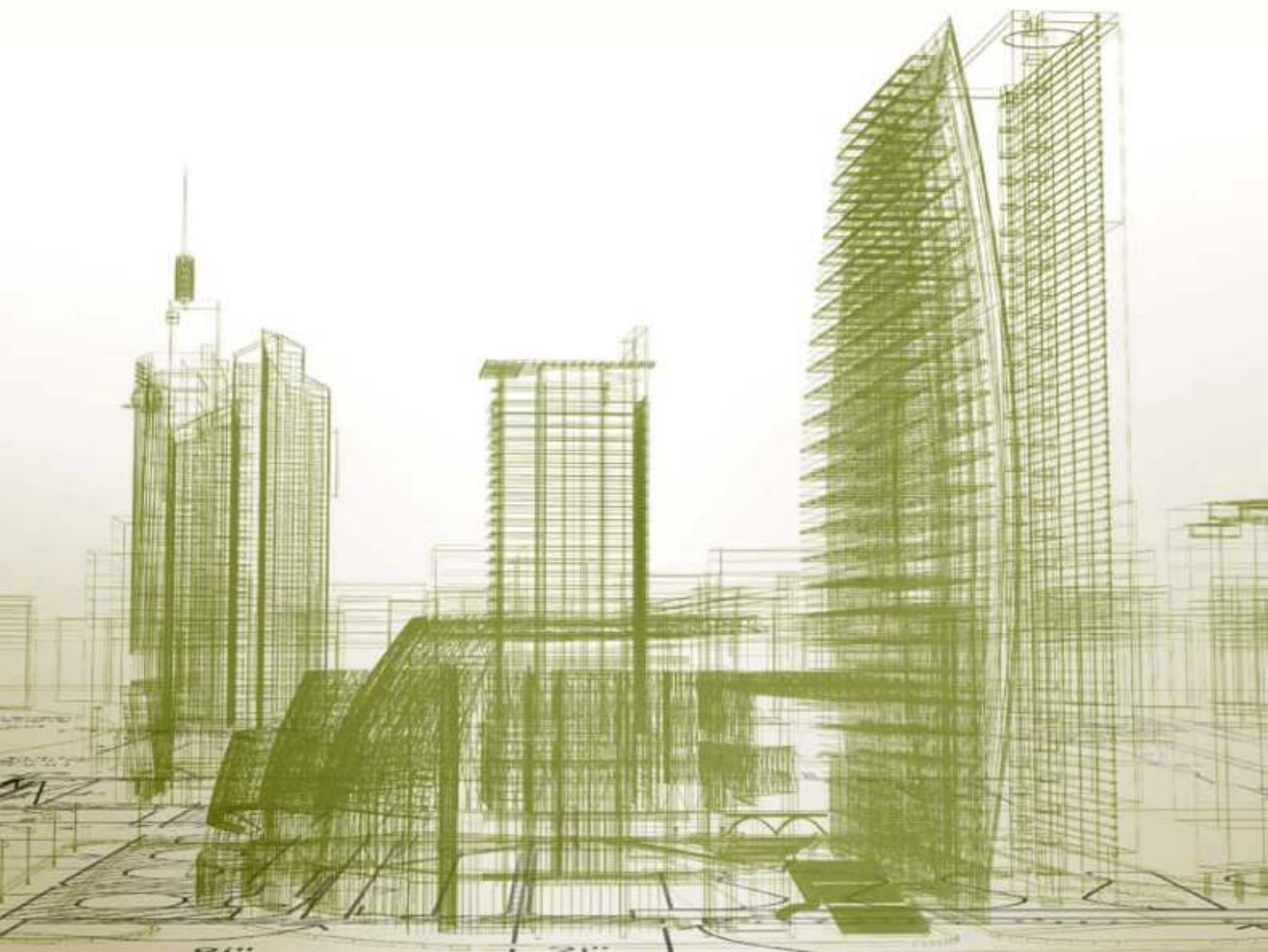


Ready for **FUTURE**



## COMPANY INFORMATION

### BOARD OF DIRECTORS

Shri Sushil Ansal	Chairman & Whole Time Director
Shri Pranav Ansal	Vice Chairman & Managing Director
Shri Anil Kumar	Joint Managing Director & Chief Executive Officer
Shri Vijay Jindal	Joint Managing Director
Shri D. N. Davar	Director
Dr. R. C. Vaish	Director
ACM O.P. Mehra (Retd.)	Director
Shri Rahul C. Kirloskar	Director
Shri Lalit Bhasin	Director
Shri P. R. Khanna	Director

### AUDIT COMMITTEE MEMBERS

Shri D. N. Davar	Chairman
Dr. R. C. Vaish	Vice Chairman
ACM O.P. Mehra (Retd.)	Member
Shri P. R. Khanna	Member

### PRESIDENT (CORPORATE AFFAIRS) & GROUP COMPANY SECRETARY

Shri Amitav Ganguly

### SR. V.P. (FIN & A/C) & OFFICIATING CFO

Shri Lalit Rustagi

### STATUTORY AUDITORS

M/s. S S Kothari Mehta & Co.  
Chartered Accountants  
New Delhi

### FINANCIAL INSTITUTIONS

Housing Development Finance Corporation Limited  
Infrastructure Leasing & Financial Services Limited

### BANKERS

Punjab National Bank	UCO Bank
The Jammu & Kashmir Bank Ltd.	Syndicate Bank
Oriental Bank of Commerce	Yes Bank Ltd.
HDFC Bank Ltd.	IDBI Bank Ltd.
Central Bank of India	IFCI Limited

### REGISTERED OFFICE

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

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 43<sup>rd</sup> Annual General Meeting of the members of the Company will be held on Wednesday the 29<sup>th</sup> September, 2010 at 11.30 A.M at FICCI Auditorium, Tansen Marg, New Delhi-110001 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at the 31st March, 2010 and the Profit & Loss Account together with the Consolidated Financial Statement of Accounts for the year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To declare a 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 Shri Rahul C. Kirloskar, 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 amendment in Articles of Association.**

To consider and if thought fit, to pass with or without modification (s) the following resolution as a **Special Resolution**:

**"RESOLVED** as a Special Resolution that pursuant to the provisions of Section 31 of the Companies Act, 1956 (including any amendment to or re-enactment thereof) (hereinafter referred to as "the Act") and other applicable provisions, if any, including Section 268 of the Act and subject to the necessary approval/s of the Central Government and/or such other authorities, as may be required, clause (d) of Article 117 of the Articles of Association of the Company be and is hereby amended by replacing the existing clause by the following clause:-

Article 117 (d): The offices of Managing Director(s) including Joint Managing Director(s) and Deputy Managing Director(s) and other Whole Time Director(s) shall be subject to retirement by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or its Committee, to which the Board may delegate its powers, from time to time, be and are hereby authorized to do all the necessary acts/ deeds/ things including take all consequential/ incidental step/s, agree to make and accept all such conditions, modifications and alterations as may be stipulated by the Central Government or any relevant authorities while according approvals or consents to the said alteration, as may be required/considered necessary, proper or expedient, and, to resolve and settle all questions and difficulties that may arise in the proposed amendment, and, to give effect to this Resolution."

**7. To approve the reappointment and remuneration of Shri Sushil Ansal, as Chairman and Whole Time Director w.e.f. the 1<sup>st</sup> April, 2010.**

To consider and if thought fit, to pass with or without modification (s) the following resolution as a **Special Resolution**:

**"RESOLVED** as a Special Resolution that, pursuant to the provisions of Sections 198, 269, 309 read with Schedule-XIII of the Companies Act, 1956, (including any amendment to or re-enactment thereof) (hereinafter referred to as "the Act"), and other applicable provisions, if any, of the Act and provisions of the Articles of Association of the Company, as amended from time to time, re-appointment and remuneration of Shri Sushil Ansal, as Chairman & Whole Time Director of the Company, for another period of 5 {Five} years commencing from 01.04.2010 to 31.03.2015, on the following salary, perquisites and commission {in short, referred as "the remuneration"} and other terms & conditions, as decided by the Compensation/ Remuneration Committee and Board of Directors at their respective meetings held on the 31<sup>st</sup> May 2010, be and are hereby approved:

Remuneration payable to Shri Sushil Ansal, with effect from the 1<sup>st</sup> April, 2010

**I Salary**

Salary of Rs.10,75,000/- (Rupees Ten Lacs Seventy Five Thousand only) per month in the grade of Rs.3,00,000-25,000-4,25,000-50,000-8,25,000-1,00,000-16,25,000/-.

**II Commission on Net Profit**

Up to 2% of the Net Profit of the Company for each Financial year computed in accordance with the provisions of Sections 349 & 350 of the Companies Act, 1956.

**III Perquisites**

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

**PART "A"**

- a) **Housing:-** Residential Rent Free furnished accommodation or in lieu thereof House Rent allowance @ 60% of the Salary {per month} over and above 10% payable by him.
- b) **Gas, Electricity, Water and furnishing:** Expenses incurred on Gas, Electricity, Water and furnishing subject to a ceiling of 10 % of the salary.
- c) **Leave Travel Assistance:-** Payable as per the rules of the Company.
- d) **Club Fee:** Fees of clubs, subject to a maximum of two clubs.
- e) **Personal Accident Insurance:** Premium not exceeding Rs. 4000/- p.a.

**PART "B"**

- a) **Provident Fund:-** Company's contribution towards Provident Fund, as per rules of the Company, which are applicable from time to time, not being taxable under the Income Tax Act, 1961, which at present is 12% of the basic salary.
- b) **Gratuity:-** Gratuity in accordance with the rules of the Company but not exceeding one-half month's basic salary for each completed year of service.
- c) **Leave:-** Leave shall be allowed with full pay and allowances as per the rules of the Company.

**RESOLVED FURTHER THAT** Shri Sushil Ansal be permitted use of Company's car/s with driver/s and also telephone/s at his residence for official purposes of the Company.

**RESOLVED FURTHER THAT** Shri Sushil Ansal shall not be entitled to any sitting fees or other payments for attending meetings of the Board, or where applicable, any committee/s thereof.

**RESOLVED FURTHER THAT** in the event of no profits or inadequacy of profits in any financial year the remuneration payable to Shri Sushil Ansal, shall be regulated in accordance with applicable parts/sections of the Schedule XIII and/or other applicable provisions of the Act, as existing from time to time.

**RESOLVED FURTHER THAT** during the period Shri Sushil Ansal remains as Chairman and Whole-Time Director, all other rules, regulations, etc. of the Company shall be applicable to him, unless otherwise decided by the Board.

**RESOLVED FURTHER THAT** the duties and authorities assigned/delegated to Shri Sushil Ansal, in the past, from time to time, and his existing membership/s in the Committee/s of the Board shall continue, unless decided otherwise by the Board.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary and/or modify the remuneration of Shri Sushil Ansal, in accordance with his salary grade, and other terms and conditions, from time to time, including grant of one or more additional increments, annually, based on his performance, after approval of his remuneration by the Compensation/ Remuneration Committee, provided that the remuneration does not exceed the ceiling/s laid down under the Schedule XIII and/or other applicable provisions of the Act, as existing from time to time."

**8. To approve the reappointment and remuneration of Shri Anil Kumar as Joint Managing Director & Chief Executive Officer.**

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

**"RESOLVED** as an Ordinary Resolution that, pursuant to the provisions of Sections 198, 269, 309 read with Schedule-XIII of the Companies Act, 1956 (including any amendment to or re-enactment thereof) (hereinafter referred to as "the Act"), and other applicable provisions, if any, of the Act and provisions of the Articles of Association of the Company, as amended from time to time, re-appointment and remuneration of Shri Anil Kumar, as Dy. Managing Directors & Chief Executive Officer w.e.f the 1<sup>st</sup> April, 2010, and promoted as Joint Managing Director & Chief Executive Officer by the

Board of Directors (hereinafter referred as the Board) at its meeting held on the 12<sup>th</sup> August, 2010, with immediate effect, for another period of 5 {Five} years commencing from the 1<sup>st</sup> April, 2010 to the 31<sup>st</sup> March, 2015, on the following salary, perquisites and commission {in short, referred as "the remuneration"} and other terms & conditions, as decided by the Compensation/ Remuneration Committee and the Board at their respective meetings held on the 31<sup>st</sup> May 2010, be and are hereby approved:

Remuneration payable to Shri Anil Kumar, with effect from the 1<sup>st</sup> April, 2010

**I Salary**

Salary of Rs. 7,60,000/- (Rupees Seven Lacs Sixty Thousand only) per month in the grade of Rs. (1,20,000-8500-3,32,500-20,000-8,32,500)

**II Commission on Net Profit**

Up to 1% of the Net Profit of the Company for each Financial year computed in accordance with the provisions of Sections 349 & 350 of the Companies Act, 1956 calculated on the standalone audited results of the Company, subject to the maximum of Rs. 1.50 crores (Rupees One Crore Fifty Lacs only) per financial year.

**III Perquisites**

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

**PART "A"**

- a) **Housing:-** House Rent allowance @ Rs. 89,000/- (Rupees Eighty Nine Thousand only) per month or rent free accommodation with rent not exceeding Rs. 89,000/- p.m.
- b) **Leave Travel Assistance:-** Payable as per the rules of the Company.
- c) **Club Fee:** Fees of clubs, subject to a maximum of two clubs.

**PART "B"**

- a) **Provident Fund:-** Company's contribution towards Provident Fund, as per rules of the Company, which are applicable from time to time, not being taxable under the Income Tax Act 1961, which at present is 12% of the basic salary.
- b) **Gratuity:-** Gratuity in accordance with the rules of the Company but not exceeding one-half month's basic salary for each completed year of service.
- c) **Leave:-** Leave shall be allowed with full pay and allowances as per the rules of the Company.

**RESOLVED FURTHER THAT** Shri Anil Kumar be permitted use of Company's car with driver for official purposes as per the Car Policy of the Company, as may be amended from time to time.

**RESOLVED FURTHER THAT** Shri Anil Kumar shall not be entitled to any sitting fees or other payments for attending meetings of the Board, or where applicable, any committee/s thereof.

**RESOLVED FURTHER THAT** in the event of no profits or inadequacy of profits in any financial year the remuneration payable to Shri Anil Kumar, shall be regulated in accordance with applicable parts/sections of the Schedule XIII and/or other applicable provisions of the Act, as existing from time to time.

**RESOLVED FURTHER THAT** during the period Shri Anil Kumar remains as Joint Managing Director & Chief Executive Officer, all other rules, regulations, etc. of the Company shall be applicable to him, unless otherwise decided by the Board.

**RESOLVED FURTHER THAT** the duties and authorities assigned/delegated to Shri Anil Kumar, in the past, from time to time, shall continue to remain in force, beside such other duties and authorities as may be assigned/delegated by the Board/ Chairman from time to time, and, his existing membership/s in the Committee/s of the Board shall continue, unless decided otherwise by the Board.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary and/or modify the remuneration of Shri Anil Kumar, in accordance with his salary grade, and other terms and conditions, from time to time, including grant of one or more additional increments, annually, based on his performance, after approval of his remuneration by the Compensation/ Remuneration Committee, provided that the remuneration does not exceed the ceiling/s laid down under the Schedule XIII and/or other applicable provisions of the Act, as existing from time to time."

**9. To approve the appointment of Shri Vijay Jindal as 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** as an Ordinary Resolution that, pursuant to the provisions of Sections 257, 258, and 260, of the Companies Act, 1956 (including any amendment to or re-enactment thereof) (hereinafter referred to as "the Act"), and other applicable provisions, if any, of the Act and provisions of the Articles of Association of the Company, as amended from time to time, Shri Vijay Jindal who has been appointed as an Additional Director of the Company w.e.f. the 12<sup>th</sup> August, 2010 by the Board of Directors at its meeting held on the 12<sup>th</sup> August, 2010, and in respect of whom the Company has received a notice in writing from a member along with a deposit of Rs.500/- signifying his intention to propose Shri Vijay Jindal as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

**10. To approve the appointment and remuneration of Shri Vijay Jindal as Joint Managing Director w.e.f the 12<sup>th</sup> August, 2010.**

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

**"RESOLVED** as an Ordinary Resolution that, pursuant to the provisions of Sections 198, 255, 269, 309 read with Schedule-XIII of the Companies Act, 1956 (including any amendment to or re-enactment thereof) (hereinafter referred to as "the Act"), and other applicable provisions, if any, of the Act and provisions of the Articles of Association of the Company, as amended from time to time, appointment and remuneration of Shri Vijay Jindal as Joint Managing Director, liable to retire by rotation, for a period of 2 {two} years commencing from the 12<sup>th</sup> August, 2010 to 11<sup>th</sup> August, 2012 on the following salary, perquisites and commission {in short, referred as "the remuneration"} and other terms & conditions, as decided by the Nomination Committee, the Compensation/ Remuneration Committee and Board of Directors at their respective meetings held on the 12<sup>th</sup> August, 2010, be and are hereby approved:

Remuneration to be paid to Shri Vijay Jindal with effect from the 12<sup>th</sup> August 2010 the date of appointment

**I Salary**

Salary of Rs. 7,60,000/- (Rupees Seven Lacs Sixty Thousand only) per month in the grade of Rs. (1,20,000 - 8500-3,32,500-20,000-8,32,500/-)

**II Commission on Net Profit**

Up to 1% of the Net Profit of the Company for each Financial year computed in accordance with the provisions of Sections 349 & 350 of the Companies Act, 1956 calculated effective from the date of his appointment on the standalone audited results of the Company, subject to the maximum of Rs 1.50 crores (Rupees One Crores fifty lacs only) per financial year.

**III Perquisites**

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

**PART "A"**

- a) **Housing:-** House Rent allowance @ Rs. 89,000 (Rupees Eighty nine thousand only) per month or rent free accommodation with rent not exceeding Rs. 89,000/- p.m.
- b) **Leave Travel Assistance:-** Payable as per the rules of the Company.
- c) **Club Fee:** Fees of clubs, subject to a maximum of two clubs.

**PART "B"**

- a) **Provident Fund:-** Company's contribution towards Provident Fund, as per rules of the Company, which are applicable from time to time, not being taxable under the Income Tax Act, 1961, which at present is 12% of the basic salary.
- b) **Gratuity:-** Gratuity in accordance with the rules of the Company but not exceeding one-half month's basic salary for each completed year of service.
- c) **Leave:-** Leave shall be allowed with full pay and allowances as per the rules of the Company.

**RESOLVED FURTHER THAT** Shri Vijay Jindal be permitted use of Company's car with driver for official purposes as per the Car Policy of the Company, as may be amended from time to time.

**RESOLVED FURTHER THAT** Shri Vijay Jindal shall not be entitled to any sitting fees or other payments for attending meetings of the Board, or where applicable, any committee/s thereof.

**RESOLVED FURTHER THAT** in the event of no profits or inadequacy of profits in any financial year the remuneration payable to Shri Vijay Jindal shall be regulated in accordance with applicable parts/sections of the Schedule XIII and/or other applicable provisions of the Act, as existing from time to time.

**RESOLVED FURTHER THAT** during the period Shri Vijay Jindal remains as Joint Managing Director, all other rules, regulations, etc. of the Company shall be applicable to him, unless otherwise decided by the Board.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary and/or modify the remuneration of Shri Vijay Jindal, in accordance with his salary grade, and other terms and conditions, from time to time, including grant of one or more additional increments, annually, based on his performance, after approval of his remuneration by the Compensation/ Remuneration Committee, provided that the remuneration does not exceed the ceiling/s laid down under the Schedule XIII and/or other applicable provisions of the Act, as existing from time to time."

**11. To approve payment of Commission to the Non - Executive Directors of the Company.**

To consider and if thought fit, to pass with or without modification (s) the following resolution as a **Special Resolution**:

"**RESOLVED** as a Special Resolution that, subject to the approval of the Central Government or any other authority/ies, and, also subject to the enabling provisions of Memorandum and Articles of Association of the Company, and keeping in view of the increased roles and responsibility(ies) of the Non Executive Directors of the Company in the context of its rapidly expanding business, as well as the valuable contributions being made by them by devoting extra time and efforts for the Company's work, and in terms of provisions of Sections 198, 309 & 310 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment to or re-enactment thereof) (hereinafter referred to as "the Act"), consent and approval of the Company be and is hereby accorded to pay to the present Non Executive Directors of the Company, in addition to the existing payment of sitting fees to them for attending meetings of the Board and Committees thereof, an aggregate sum not exceeding 1% (one percent) of the Net Profit of the Company for each Financial year of the Company computed in accordance with the provisions of Sections 349 & 350 of the Act, calculated on the standalone audited results of the Company, subject to the maximum of Rs. 50 lacs (Rupees fifty lacs only) per annum, in aggregate, payable annually, to all the Non- Executive Directors of the Company, and such payment shall be made for a period of Five Years from the Financial Year commencing from the 1<sup>st</sup> April, 2010.

**RESOLVED FURTHER THAT** such Commission shall be distributed amongst all the Non executive Directors in such proportion and in such manner as may be decided by the Board of Directors of the Company, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or its Committee/s to which the Board may delegate its powers, from time to time, be and are hereby authorized and empowered, on behalf of the Company, to do or cause to be done all such acts, deeds, things and matters, as may be necessary, and, also incidental thereto to give effect to this Resolution, which includes filing of application/s to the Central Government or any other authority and affixing the common seal of the Company on such paper/s/ document/s as may be necessary, as per the provisions of the Articles of Association of the Company, and to comply with such condition/s as may be stipulated by the Central Government or any other authority, in this regard."

**Regd. Office:**  
115, Ansal Bhawan  
16, Kasturba Gandhi Marg,  
New Delhi - 110 001

By and on behalf of the Board of Directors  
for **Ansal Properties & Infrastructure Ltd.**

(Amitav Ganguly)  
President (Corp. Affairs) &  
Group Company Secretary

Dated: 12<sup>th</sup> August, 2010

**NOTES:**

- 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 scheduled time for commencement of Annual General Meeting.

- b) The Register of Beneficial Owners, Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday the 22<sup>nd</sup> September, 2010 to Wednesday the 29<sup>th</sup> September, 2010 (both days inclusive).
- c) i) Dividend, if declared, will be payable to those members whose names appear in the Register of Members/Beneficial Owners as will be provided by the Depository {i.e. National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)} as per the book closure.
- ii) No tax at source shall be deducted from the Dividend amount payable to the members. Tax will be paid by the Company at the flat rate of 15% and surcharge there on @ 7.5 % of tax and cess @ 3% of tax and surcharge (aggregating to 16.609%).
- d) Members are already aware that M/s. Link Intime India Pvt. Ltd. (formerly Intime Spectrum Registry Limited) A-40, 2<sup>nd</sup> floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028, is the Share Transfer Agent (STA) of the Company, both for electronic connectivity and Share Transfer work w.e.f. the 30<sup>th</sup> January, 2003. Members can make correspondence with STA for Share Transfer requests, dividend and change of address related queries. To avoid misuse of dividend warrants/ cheques, members are requested to send details of Bank / its address and account number, for printing on dividend warrants/cheques. This should be sent, to reach at the Registered Office of the Company before the Annual General Meeting.
- e) Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate the Company / STA, the ledger folio of such accounts to enable the Company to consolidate all such shareholdings into one account.
- f) Members are hereby informed that pursuant to Section 205A (5) of the Companies Act, 1956, (The Act) the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investors Education and Protection Fund established by the Central Government under sub section (1) of Section 205C of the Act. No claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years and transferred to the Fund, as aforesaid.

In accordance with above provisions, unclaimed dividend amount for the years ended the 31<sup>st</sup> March, 1995, 31<sup>st</sup> March, 1996, 31<sup>st</sup> March, 1997, 31<sup>st</sup> March, 1998, 31<sup>st</sup> March, 1999, 31<sup>st</sup> March, 2000, 31<sup>st</sup> March, 2001 & 31<sup>st</sup> March, 2002 have been transferred to Investor Education and Protection Fund, the unclaimed dividend that are due for transfer to the Investor Education and Protection Fund are as follows:-

S.No	Date of Declaration of Dividend	For the year ended on	Due for transfer on
1	29.09.2003	31.03.2003	03.11.2010
2	28.09.2004	31.03.2004	02.11.2011
3	15.03.2005 (Interim)	31.03.2005	20.04.2012
4	26.09.2005 (Final)	31.03.2005	31.10.2012
5	28.09.2006	31.03.2006	02.11.2013
6	13.03.2007 (Interim)	31.03.2007	18.04.2014
7	22.09.2007 (Final)	31.03.2007	27.10.2014
8	30.09.2008	31.03.2008	04.11.2015
9	29.09.2009	31.03.2009	03.11.2016

- g) Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends up to the dividend for the period ended the 31<sup>st</sup> March, 1994 have been transferred to the General Revenue Account of the Central Government. 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 & Haryana, New Delhi, at the address: 4<sup>th</sup> Floor, IFCI Tower, Nehru Place, New Delhi - 110019.
- h) Those members who have not so far encashed their dividend warrants/cheques for the Accounting Year pertaining to the aforesaid years may immediately approach the Company / STA for revalidation of unclaimed dividend warrants/cheques or for issue of fresh warrants/ cheques. Dividend for the year ended the 31<sup>st</sup> March, 2003, shall be



transferred to Investor Education and Protection Fund, very shortly, as stated in note (f) above.

- l) The Company is registered with the following depositories for dematerialization of its Equity Shares:-
- i) National Securities Depository Ltd. (NSDL) at Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013
  - ii) Central Depository Services (India) Ltd. (CDSL), at Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor, Dalal Street, Mumbai- 400001
- The Registration no. granted by NSDL & CDSL is ISIN - INE-436A01026.
- j) As per the provisions of Section 109A of the Companies Act, 1956, facility for making nominations is available to the Members, in respect of Equity Shares, held by them. Requests for nomination facility should be made in the prescribed form (Form 2B) a copy of which can be obtained on request from the Registered Office of the Company.
- k) Members desiring any information/clarification on the Annual Accounts are requested to write to the Company at its Registered Office at least 15 days before the date of Annual General Meeting so that the same may be attended to, well in advance.

The relevant information of Directors by way of brief resume seeking re-appointment and appointment under items Nos. 3, 4, 7, 8, 9 & 10 of the notice as required under Clause 49 of the Listing Agreement entered with Stock Exchanges are given hereinafter.

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MEMBERS ARE REQUESTED TO BRING THEIR COPY OF ANNUAL REPORT AT THE MEETING. NO ADDITIONAL COPIES SHALL BE SUPPLIED AT THE VENUE.

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## **EXPLANATORY STATEMENT**

**As required under Section 173(2) of the Companies Act, 1956 the following Explanatory Statements set out material facts relating to the business under items Nos. 6 to 11 of the accompanying Notice dated the 12<sup>th</sup> August, 2010**

### **Item No.6:**

Out of the nine directors of the Company, three are Executive Directors viz. Chairman & Whole Time Director, Vice Chairman & Managing Director and Deputy Managing Director & CEO {promoted to Joint Managing Director & CEO}, and, six are non Executive Directors. Subsequently, at its meeting held on the 12<sup>th</sup> August, 2010, the Board of Directors (Board) has appointed a Joint Managing Director who is also an Executive Director, subject to the approval by the members. Therefore the total number of Directors, presently, has become ten, which number is within the maximum number of directors of twelve as permitted by the Articles of Association of the Company.

Section 255 of Companies Act, 1956 (the Act) provides that where it is permitted by the Articles of Association, ( the Articles ) not more than 1/3 of the total nos. of directors can be persons whose period of office shall be non rotational. Therefore the balance 2/3 of the total nos. of directors can be rotational. The Articles may however, provide that all the directors can retire by rotation.

In case of the Company, the article 117 (d) of the Articles of Association, provides as follows:-

“The Managing Director and other Whole Time Director{s}shall not be subject to retire by rotation”.

Therefore in case of the Company, the total nos. of Directors in the category mentioned in article 117(d) being non-rotational shall not exceed the 1/3 of the total strength. The total strength of Directors, now being ten, the number of Executive Directors who are not liable to retire by rotation cannot be more than three in terms of the said section 255. In view of this, the office of the Joint Managing Director appointed by the Board on the 12<sup>th</sup> August 2010 is liable to retire by rotation in terms of the section 255 of the Act. However, to ensure that appointment / reappointment / the existing appointment of executive directors do not come under the restrictions of maximum non rotational directors of 1/3 of the total strength of the Board, it has been proposed by the Board that offices of all executive directors shall be liable to retire by rotation. Therefore the Articles are proposed to be amended to provide to this effect for the offices of Managing Director(s) including Joint Managing Director(s) and Deputy Managing Director(s) and other Whole Time Director(s), all being executive directors.

The Board, at their meeting held on the 12<sup>th</sup> August 2010, has recommended to the members the proposal of amendment in the Articles to provide that all executive directors shall be liable to retire by rotation.

In terms of the provisions of Section 31 of the Act for amending the Articles of Association, as aforesaid, approval of the members will be required by way of passing a Special Resolution, and, wherever applicable, approval of the Central Government under Section 268 of the Act will also be sought. On the amendment becoming effective, offices of the non-rotational Executive Directors shall be liable to retire by rotation from that date.

Your Directors recommend passing of the proposed Resolution given in the Item no.6 as a Special Resolution.

The Memorandum & Articles of Association of the Company can be inspected by the members of the Company at its Registered Office on any working day during business hours, and, at the Annual General Meeting.

None of the Directors except the said Executive Directors are interested in the proposed Resolution.

### **Item no.7:**

Shri Sushil Ansal was appointed as Chairman & Whole Time Director of the Company for a period of Five years w.e.f. the 1<sup>st</sup> April, 1990, and was last re-appointed for a further period of 05 years w.e.f. the 1<sup>st</sup> April, 2005 at the Annual General Meeting of the Company held on the 26<sup>th</sup> September, 2005, and accordingly the tenure of his appointment had expired on the 31<sup>st</sup> March, 2010. Therefore, the Board of Directors of your Company at its meeting held on the 17<sup>th</sup> March, 2010 has decided, in-principle, to re-appoint Shri Sushil Ansal, as Chairman & Whole Time Director for a further period of Five years w.e.f. the 1<sup>st</sup> April, 2010 on the terms and conditions including the salary, perquisites and commission {in short, remuneration}to be approved by the Compensation/ Remuneration Committee and the Board, subsequently. The same have been approved by the Compensation/ Remuneration Committee and by the Board of Directors at their respective meetings held on the 31<sup>st</sup> May, 2010. Details of the terms and conditions of his reappointment including remuneration payable to him w.e.f. the 1<sup>st</sup> April, 2010 are set out in the item no.7 of the Notice.