

14th ANNUAL REPORT 1999-2000



Ashiana Gulmohar Park, Bhiwadi



ASHIANA HOUSING & FINANCE (INDIA) LTD.

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Attendance Slip & Proxy Form

The Cover page Photograph is of Company's Project "Ashiana Gulmohar Park" at Bhiwadi, Rajasthan

ASHIANA HOUSING & FINANCE (INDIA) LTD.



Board Of Directors

Mr. Badri Prasad Gupta	Chairman Emeritus
Mr. Om Prakash Gupta	Managing Director
Mr. Raj Kumar Modi	
Mr. Ashok Kr. Mattoo	
Mr. Lalit Kr. Chhawchharia	
Mr. Vishal Gupta	Whole-time Director

Company Secretary

Mr. D.B.R. Srikanta

Registered Office

5 F, Everest
46/C, Chowringhee Road,
Calcutta - 700 071

Head Office & Share Deptt.

E - 125, Greater Kailash - III
Masjid Moth,
New Delhi - 110 048

Auditors

M/s. B. Chhawchharia & Co.
75, Park Street,
Calcutta - 700 016

Bankers

State Bank of India
Bank of Baroda
Punjab National Bank
State Bank of Bikaner & Jaipur
Oriental Bank of Commerce
United Commercial Bank

Ashiana's Project & other details are now available at www.ashianahousing.com



Stock Exchanges

The Calcutta Stock Exchanges Association Ltd.

7, Lyons Range,
Calcutta - 700 001

The Stock Exchanges, Mumbai

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

The Delhi Stock Exchanges Association Ltd.

West Plaza
Indraprastha Estate,
Indira Gandhi Indoor Stadium,
New Delhi - 110 002

Magadh Stock Exchanges Association

9th Floor, Ashiana Plaza,
Budh Marg,
Patna - 800 001

Report  junction.com

Kind. Attention : Shareholders of Erstwhile Ashiana Proteins Ltd.

Shareholders are requested to send their share Certificate(s) of erstwhile Ashiana Proteins Ltd. to the Head Office/ Share Deptt. of the Company at E-125, Masjid Moth, Greater Kailash-III, New Delhi- 110 048 for exchange thereof with the share certificate(s) of the Company by virtue of amalgamation of erstwhile Ashiana Proteins Ltd. with M/s. Ashiana Housing & Finance (India) Ltd.

For early redressal of Investors' grievance, Please write to

Shri D.B.R.Srikanta, Company Secretary
M/s. Ashiana Housing & Finance (India) Ltd.
E-125, Masjid Moth, Greater Kailash-III,
New Delhi- 110 048

Ph. Nos. : 622 8766, 648 7278 Fax : 648 9833

E-mail : dbrsrikant@hotmail.com

Please Quote:

1. Ledger Folio No.
2. Concerned Share Certificate(s) No.
3. Concerned Share Distinctive Nos.
4. Address in Block Letters

**ASHIANA HOUSING & FINANCE (INDIA) LTD.****NOTICE**

NOTICE is hereby given that the 14th Annual General Meeting of the members of **M/S. ASHIANA HOUSING & FINANCE (INDIA) LIMITED** will be held on Thursday, the 23rd day of November, 2000 at Hotel Shalimar, 3, S.N. Banerjee Road, Calcutta - 700 013 at 3.00 P.M. to consider and transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000, the Profit & Loss Account for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Lalit Kumar Chhawchharia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

By order of the Board

Place : New Delhi
Date : 10th October, 2000

D.B.R.Srikanta
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxy form duly filled up and executed must be received at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
3. The Register of Members and Share Transfer Books shall remain closed from 16th November, 2000 to 23rd November, 2000 (both days inclusive).
4. Members desiring any further information on the business to be transacted at the Meeting should write to the Company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
5. Members are requested to notify the Company their change of address, if any, to its Head Office at E-125, Greater Kailash, Part III, New Delhi- 110 048.
6. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting.
7. All correspondence relating to shares may be addressed to the Head office of the Company.

By order of the Board

Place : New Delhi
Date : 10th October, 2000

D.B.R.Srikanta
Company Secretary



ASHIANA HOUSING & FINANCE (INDIA) LTD.

DIRECTORS' REPORT

To the Member(s),

Your Directors have pleasure in presenting the 14th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

The Financial Results of the Company for the year ended 31st March, 2000 are as follows:-

(Rs. in Lacs)

	CURRENT YEAR	PREVIOUS YEAR
01. Sales and Other Income	1007.90	1090.40
02. Profit before Depreciation	82.86	11.61
03. Depreciation	15.07	28.32
04. Profit/(Loss) after Depreciation but before Taxation	67.79	(16.71)
05. Provision for Taxation	18.00	2.10
06. Profit / (Loss) after Depreciation and Taxation	49.79	(18.81)
07. Surplus brought forward from previous year	3.06	12.88
08. Income Tax adjustment	0.003	(0.04)
09. Excess provision for taxation in earlier year written back	NIL	3.95
10. Profit available for Appropriation	52.85	NIL
11. Transfer to General Reserve	50.00	NIL
12. Transfer from General Reserve	NIL	5.00
13. Balance Surplus carried to Balance Sheet	2.85	3.06

DIVIDEND

The Directors do not recommend any dividend for the year under review with a view to retain the earnings for further investment in new projects.

PERFORMANCE

The Board of Directors of your Company take the opportunity to report that, inspite of recession in the Real Estate business, the performance of the Company continues to be good during the Financial Year 1999-2000. In the Financial year 1999-2000 the Sales & Other Income of the Company was Rs. 1007.90 Lacs as against Rs. 1090.40 Lacs in the previous year. The Company's profit after depreciation & taxation during the Financial year 1999-2000 was Rs.49.79 Lacs as compared to loss of Rs. 18.81 Lacs in the previous financial year. In view of the vast experience, strong infrastructure and the projects in the hand /pipeline in Real Estate business, your Directors expect better results in the coming years.

PROJECT EXPANSION & FUTURE OUTLOOK

Bhiwadi (Rajasthan)

The construction of the first phase of residential complex "Ashiana Gulmohar Park" at Vasundhara Colony, Bhiwadi is completed and progressive handing over of the flats to the buyers have been started. The second phase of the aforesaid complex is at the advance stage of completion and the progressive handing over of the flats would be started by 31st March, 2001. The construction of third phase has also been started in the said complex. Your Company is carrying on the construction work of flatted factory complex "Ashiana's Industrial Park" at Plot No. SP-54, RIICO Industrial Area, Bhiwadi, Rajasthan. The application for conversion of approx. 11 acres of agricultural land at village Khanpur, Tehsil Tijara, Dist. Alwar into the land for residential purpose got approved by the concerned authority and the Company framed a scheme to construct a residential Complex to be known as "Ashiana Gardens" in the said land in two phases. The construction of first phase consisting of 148 flats has already been commenced. Your Company has the necessary infrastructure, experience to handle residential, commercial and industrial projects. The Company is looking for various opportunities in consonance with Government effort to provide housing in various cities of Rajasthan.



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Nimrana

The Construction work of the residential complex "Ashiana Green Hill" on 10 acres of plot at Nimrana Industrial Area, Delhi-Jaipur Highway is under progress.

Jamshedpur

The second phase of residential complex "Ashiana Enclave" is completed and the progressive handing over has started. The construction of third phase is under progress and is likely to be completed by March 2001. In order to meet the further requirement of housing in the area, your Company has entered into an agreement with Ispat Nagari Co-operative Housing Society Ltd., Jamshedpur to purchase an area of 8.4 acres of land at Mango, Jamshedpur. Out of the aforesaid area the Company has already purchased 4.28 acres of land. The Company has framed a scheme for constructing a residential complex to be known as "Ashiana Suncity" in the said land. The construction of first phase consisting of 120 flats and 48 executive floors has been commenced.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Directors are of the opinion that particulars with respect to Conservation of Energy and Technology Absorption as per Section 217 (1) (e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not relevant in view of the nature of business activities of the company and hence, are not required to be given. There has been no foreign exchange earnings whereas expenditure of Rs. 70,449/- has been incurred in foreign currency during the year under review.

DIRECTOR

Shri. Lalit Kumar Chhawchharia, Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment.

PARTICULARS OF EMPLOYEES

There is no employee in respect of whom particulars pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) (Amendments) Rules, 1999 are required to be given.

STATUS OF PREPAREDNESS OF Y2K PROBLEMS

The Company does not have any risk on account of Y2K issue. However, the Computers utilised for office service are being upgraded the Y2K compliant. The cost involved is not substantial as compared to the scale of operation of the Company.

LISTING

The Shares of your Company are listed on Calcutta, Delhi, Mumbai & Magadh Stock Exchanges and pursuant to Clause 38 of the Listing agreement the Annual Listing fees for the year 1999-2000 has already been paid to the Stock Exchanges.

AUDITORS

M/s. B. Chhawchharia & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a Certificate to the effect that their re-appointment if made, will be within the prescribed limit under Section 224 (1B) of the Companies Act, 1956.

FIXED DEPOSITS

The Company had neither invited nor accepted any deposits from the public within the meaning of the Companies (Acceptance of Deposits) Rules 1975.

SUBSIDIARY COMPANY

The Audited statement of Accounts alongwith Directors' Report & Auditors' Report for the year ended 31st March, 2000 of M/s. Ashiana Apartment Pvt. Ltd., and M/s. Vatika Marketing Pvt. Ltd. are annexed to this Account pursuant to Section 212 of the Companies Act, 1956.

ACKNOWLEDGMENT

Your Directors take this opportunity to express grateful thanks to the Central and State Governments and Company's bankers for their support and guidance to the Company from time to time. The Directors wish to place on record their appreciation of the efficient and loyal services rendered by the officer & staff members of the Company. Your Company's industrial relations continued to be excellent.

For and on behalf of Board

Place : New Delhi
Date : 10th October, 2000

Om Prakash Gupta
Managing Director



ASHIANA HOUSING & FINANCE (INDIA) LTD.

AUDITORS' REPORT

We have audited the attached Balance Sheet of **M/S. ASHIANA HOUSING & FINANCE (INDIA) LIMITED** as at 31st March, 2000 and also the attached Profit & Loss Account of the company for the year ended on that date and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books;
3. The Balance Sheet and Profit & Loss account dealt with by the report are in agreement with the books of account;
4. In our opinion, subject to our comments hereinafter, the Balance Sheet and the Profit & Loss accounts comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 (as amended);
5. In our opinion and to the best of our information and according to the explanations given to us, the annexed accounts together with the notes thereon and Schedules attached thereto, give the information required by the Companies Act, 1956 (as amended) in the manner so required and subject particularly to notes in Schedule "20" regarding, (i) non-provision of liability of gratuity Rs. 6.65 lacs (note 5), (ii) non provision of interest on loans (note 6) and (iii) dues to SSI units (notes 10) give a true and fair view :
 - a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2000 and
 - b) in the case of Profit & Loss Account of the Profit for the year ended on that date.
6. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988, and on the basis of such checks as we considered appropriate, we further state that -
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancy was noticed on such verification.
 - b) None of the Fixed Assets has been revalued during the year.
 - c) The stock of construction and other materials has been physically verified by the management during the year at reasonable intervals.
 - d) In our opinion, the procedure of physical verification of stock followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
 - e) The discrepancies noticed on verification of stocks as compared to book records were not material and the same have been properly dealt with in the books of accounts.
 - f) On the basis of our examination, we are satisfied that the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
 - g) In our opinion, the rate of interest and other terms and conditions in respect of Unsecured Loans from parties listed in the register maintained U/s. 301 of the Companies Act, 1956 are, prime facie, not prejudicial to the interest of the Company. The Company has not taken loans, secured or unsecured, from the Companies under the same management as defined U/s. 370(1B) of the Companies Act, 1956.
 - h) In our opinion, the rate of interest and other terms and conditions in respect of unsecured loan granted to Companies listed in the register maintained U/s. 301 of the Companies Act, 1956 are, prima facie, not prejudicial to the interest of the Company.
 - i) Parties, including employees, to whom loans or advances in the nature of loans have been given by the Company, are repaying the principal amounts as per stipulation, wherever such stipulation exist and are also regular in payment of interest, where applicable.
 - j) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of construction materials, raw materials, plant & machineries, equipments and other assets and for the sale of goods, flats, office space, shops, etc.

**ASHIANA HOUSING & FINANCE (INDIA) LTD.**

- k) In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services, wherever made in pursuance of contracts or arrangements entered in the registers maintained U/s. 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods or services have been made with other parties.
- l) As explained to us, the Company has a regular procedure for determination of unserviceable or damaged stores, raw materials and construction materials and adequate provision for the loss as determined has been made in the accounts.
- m) The Company has not accepted any deposit from the public during the year.
- n) In our opinion, the Company is maintaining reasonable records for the sale and disposal of realisable scraps. The Company has no by-product.
- o) In our opinion, the Company has a formal internal audit system commensurate with the size and nature of business of the Company.
- p) As per the records of the Company, the Company has generally been regular in depositing provident fund dues with the appropriate authorities. As informed, The Employees' State Insurance Act, 1948 is not applicable to the Company.
- q) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty, as applicable, were outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- r) During the course of our audit of the books of accounts carried out in accordance with generally accepted auditing practices, we have not come across any personal expense which has been charged to revenue account.
- s) Provisions of clauses (xvi) & (xx) of paragraph 4A of the Manufacturing and Other Companies (Auditors' Report) Order, 1988 are not applicable to the Company.

For B. Chhawchharia & Co.
Chartered Accountants

Place : New Delhi

Date : 10th October, 2000

Atul Banshal
Partner



ASHIANA HOUSING & FINANCE (INDIA) LTD.

BALANCE SHEET AS AT 31ST MARCH, 2000

DESCRIPTION	SCHEDULES	AS AT 31.03.2000 (Rs.)	AS AT 31.03.1999 (Rs.)
SOURCES OF FUNDS			
Shareholders' Funds:			
Share Capital	1	5,35,31,000	5,08,66,000
Reserves & Surplus	2	4,27,59,398	2,98,05,986
		9,62,90,398	8,06,71,986
Loan Funds:			
Secured Loans	3	14,89,917	23,12,188
Unsecured Loans	4	56,84,687	71,97,662
		71,74,604	95,09,850
		<u>10,34,65,002</u>	<u>9,01,81,836</u>
APPLICATION OF FUNDS			
Fixed Assets:	5		
a) Gross Block		2,50,29,449	2,52,04,380
b) Less: Depreciation		66,45,001	67,69,033
c) Net Block		1,83,84,448	1,84,35,347
Capital Work-in-progress		-	4,90,621
		1,83,84,448	1,89,25,968
Investments	6	1,52,11,679	61,32,853
Current Assets, Loans & Advances			
Inventories	7	17,28,64,718	16,15,62,034
Sundry Debtors	8	27,34,522	19,88,647
Cash & Bank balances	9	2,24,81,417	1,31,72,000
Loans & Advances	10	3,41,54,941	3,01,69,461
		23,22,35,598	20,68,92,142
Less: Current Liabilities & Provisions	11	16,41,62,034	14,41,61,513
Net Current Assets		6,80,73,564	6,27,30,629
Miscellaneous Expenditure	12	17,95,311	23,92,381
		<u>10,34,65,002</u>	<u>9,01,81,836</u>
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BALANCE SHEET ABSTRACT AND
COMPANY'S GENERAL BUSINESS PROFILE 21

The Schedules referred above form an integral part of the accounts.
In terms of our report of even date attached herewith

For **B. Chhawchharia & Co.**
Chartered Accountants

Atul Banshal
Partner

Om Prakash Gupta
Managing Director

Raj Kumar Modi
Director

Vishal Gupta
Whole-time Director

D.B.R. Srikanta
Company Secretary

Place : New Delhi
Date : 10th October, 2000