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**ASHIANA HOUSING & FINANCE**

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**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  
 Kolkata - 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, Kolkata - 700 016

**Bankers**

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

**Web Site :**

www.ashianahousing.com

**Depository Transfer Agent**

M/s. Beetal Financial & Computer Services Pvt. Ltd.  
 321-S, Chirag Delhi, New Delhi - 110 017

**Stock Exchanges :-****The Calcutta Stock Exchanges Association Ltd.**

7, Lyons Range  
 Kolkata - 700 001

**The Stock Exchanges, Mumbai**

Phiroze Jeejeebhoy Towers  
 Dalal Street  
 Mumbai - 400 001

**The Delhi Stock Exchanges Association Ltd.**

DSE House  
 3/1 Asaf Ali Road  
 New Delhi - 110 002

**Magadh Stock Exchanges Association**

39th Floor, Ashiana Plaza  
 Budh Marg  
 Patna - 800 001



## NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of the members of **M/s. ASHIANA HOUSING & FINANCE (INDIA) LIMITED** will be held on Saturday, the 22nd day of September, 2001 at Hotel Shalimar, 3, S. N. Banerjee Road, Kolkata - 700 013 at 12.30 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, 2001, 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 Raj Kumar Modi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

### SPECIAL BUSINESS :

#### 4. AMENDMENT IN ARTICLES OF ASSOCIATION

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

**"RESOLVED THAT** pursuant to Section 31 and other applicable provisions if any of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below:-

- (I) After Article 1, the following new Article be inserted as **Article 1A** under the head "Interpretation" and be read as follows :-

**Beneficial Owner** : Beneficial owner means the Beneficial owner as defined in Clause (a) of Sub-section (1) of Section 2 of the Depositories Act, 1996.

**Bye-Laws** : Bye-laws means Bye-laws made by a depository under Section 26 of the Depositories Act 1996.

**Depository Act** : Depository Act means Depository Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

**Depository** : Depository shall mean a Depository as defined in the Depository Act, 1996.

**SEBI** : SEBI means the Securities & Exchange Board of India .

**Security** : Security means shares, debentures or other securities as may be specified by Central Government , SEBI or other concerned authorities from time to time .

**Record** : Record include the records maintained in the form of Books or stored in a Computer or in such other form as may be specified or determined by the regulation made by SEBI.

**Share Holders or Member** : Share holders or Member means the duly registered holders from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every Persons holding Equity Shares and/or Preference Shares of the Company

as also one whose name is entered as beneficial owner of the Shares in the record of the Depository.

**Register** : Register shall means Register of Member to be kept pursuant to Section 150 of the Companies Act, 1956 and unless it to be repugnant to the context or otherwise, the Registrar of Beneficial Owner in case of share are held in a Depository.

- (II) After Article 48A, The following new Article be inserted as **Article 48B** and be read as follows :-

#### DEMATERIALISATION OF SHARE

- (a) Notwithstanding anything to the contrary contained in these Articles, the Company shall be entered as and when declared by the Board of Director to dematerialisation or rematerialisation of shares, or debenture and/or other securities (both existing and future) and to offer its shares, debenture and other securities for subscription in a dematerialised form pursuant to Depositories Act, 1996 and the rules framed thereunder.
- (b) Every person subscribing to securities offered by the Company shall have the option to receive security certificate or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the depository Act, 1996 and the Company shall in the manner and within the time prescribed, issued to the beneficial owner the required certificates of the securities.
- (c) If a person opt to hold his security with a depository, the Company shall intimate such depository, the details of allotment of the security and on the receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- (d) All the securities held by the depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 187C, 187B, and 372A of the Companies Act, 1956 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners:
  - (i) Notwithstanding any thing contrary contained in the Act or these Articles a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
  - (ii) Save as otherwise provided in (i) above, the depository as the registered owner of the securities shall not have any voting rights or any rights in respect of the securities held by it.
  - (iii) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the security shall be entitled to all rights and benefit and be subject to all the liabilities in respect of his securities, which are held by a depository.

## ASHIANA HOUSING &amp; FINANCE (INDIA) LTD.



- (e) Notwithstanding any thing contained in the Act or these Articles to the contrary, where securities are held in a depository, the record of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.
- (f) Nothing contained in Section 83 and 108 of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by transferor and transferee, both of whom are entered as beneficial owner in the records of a depository.
- (g) Notwithstanding anything contained in the Act or these Articles, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- (h) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
- (i) The Register and Index of beneficial owners maintained by the depository under Section 11 of the Depository Act, 1996 shall be deemed to be the Register & Index of Members and Security holders for the purpose of the Act.
- (j) If a beneficial owner seeks to opt out of a depository in respect of any Security, the beneficial owner shall inform to the depository accordingly. The depository shall, on receipt of intimation as above, make appropriate entries in its record and shall inform to the Company accordingly.
- (k) No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.
- (III) After Article 70, The following new Article be inserted as Article 70A and be read as follows :-  
**PASSING OF RESOLUTION BY POSTAL BALLOT**  
 Notwithstanding anything contained in the Articles of Association of the Company, the Company do adopt the mode of passing a resolution by the members of the Company by means of postal ballot and / or other ways in the manner and in respect of business as may be prescribed under Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and/or other Rules as the Central Government, may by notification prescribed in this behalf.

#### 5. APPOINTMENT OF WHOLE-TIME DIRECTOR

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

**"RESOLVED THAT** pursuant to Sections 198, 268, 269 309 & 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or, any amendment or, modifications thereof consent of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Vishal Gupta as Whole-time Director of the Company for a period of five years

w.e.f. 1st September, 2001 on the following terms and conditions :

**BASIC SALARY :** Rs. 25,000-5,000-45,000/- P. M.

**HOUSING :**

- The expenditure incurred by the Company on hiring unfurnished accommodation will be subject to a ceiling of 60 percent of the basic salary.
- Free furnished accommodation in case the accommodation is owned by the Company.
- In case no accommodation is provided by the Company, entitlement to house rent allowance subject to the ceiling laid down in (a) above.

The expenditure incurred by the Company on gas, electricity, Water & furnishings will be valued as per Income Tax Rules, 1962.

**PROVIDENT FUND :** Contribution to the Provident Fund as per rules of the Company, subject to a ceiling of 12% of Basic Salary.

**SUPERANNUATION FUND :** Contribution to superannuation fund as per rules of the Company subject to the condition that such contribution together with Provident Fund shall not exceed 25% of basic salary as laid down under the Income Tax Rules, 1962.

**GRATUITY :** Payable as per rules of the Company but not exceeding half month's salary for each completed year of service.

**MEDICAL REIMBURSEMENT :** Expenses actually incurred for self and family.

**LEAVE TRAVEL CONCESSION :** For self and family once in a year for any destination in India.

**CLUB FEES :** Fees of Club subject to a maximum of two clubs may be allowed. Admission and Life membership fees are not permissible.

**PERSONAL ACCIDENT INSURANCE :** Premium not to exceed Rs.1,000/- per annum.

**CAR :** Facility of Car with driver.

**TELEPHONE:** Telephone at residence.

(Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole-time Director.)

**LEAVE :** One month leave for Eleven Months of service. Leave accumulated but not availed will be allowed to be encashed at the end of tenure.

**TERMINATION OF CONTRACT :** The Company and Mr. Vishal Gupta are entitled to terminate the contract by giving not less than Ninety days' notice to either party.

**RESOLVED FURTHER THAT** Shri Vishal Gupta, shall not be entitled to any sitting fees for attending the meeting of Board of Directors and/ or committee of Directors.

**RESOLVED FURTHER THAT** the remuneration aforesaid, shall be paid as minimum remuneration in absence or inadequacy of profits for such year."

By order of the Board

Place : New Delhi  
 Date : 30th June, 2001

D.B.R.Srikanta  
 Company Secretary

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**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 filed 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 18th September, 2001 to 22nd September, 2001 (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. Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 with respect to business No. 4 to 5 are forming part of the Notice and annexed hereto.
7. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting.
8. All correspondence relating to shares may be addressed to the Head office of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION  
173 (2) OF THE COMPANIES ACT, 1956**

**ITEM NO. 4 (I & II)**

With the introduction of the Depositories Act, 1996 and Depository System, some of the provisions of the Companies Act, 1956 in relation to the issue, holding, transfer of shares, debentures and other securities have been amended to facilitate the implementation of the new system. The depository system is safe and convenient method to hold and trade in the securities of the Company. The system will eliminate several problems experienced on the scrip based system such as bad deliveries, fraudulent transfers and transmission, theft in postal transit, time taken in registration of transfer, maintenance of share transfers etc.. The system also offers several cost advantages such as no postage expenses, exemption from stamp duty on transfer etc..

For availing the Depository services and electronic connectivity, your Company has entered into one tripartite agreement with National Securities Depository Ltd. (NSDL) and Beetal Financial & Computer Services Pvt. Ltd. (the Depository Transfer Agent) and other tripartite agreement with Central Depository Services (India) Ltd. (CDSL) and Beetal Financial & Computer Services Pvt. Ltd. . Members, therefore, now have the option of holding and dealing in the shares of the company in electronic form through NSDL and/or CDSL.

It is proposed to amend the Articles of Association of the Company suitably incorporating necessary provisions therein relating to the implementation of the Depository system.

The resolutions at Business No. 4 (I) and 4 (II) are accordingly recommended for approval of the members by means of **SPECIAL RESOLUTIONS** as required under Section 31 of the companies Act, 1956.

The Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of shares held by them.

**ITEM NO. 4 (III)**

Pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001 your Company may pass resolutions in respect of business listed under Rule 4 by means of Postal Ballot instead of transacting the business in General Meeting of the Company. It is proposed to amend the Articles of Association of the Company suitably incorporating necessary provisions therein relating to Postal Ballot.

The resolutions at Business No. 4 (III) is accordingly recommended for approval of the members by means of **SPECIAL RESOLUTION** as required under Section 31 of the Companies Act, 1956.

None of the Directors of the Company are concerned or interested in the said resolution.

**ITEM NO. 5**

Mr. Vishal Gupta was appointed as Whole-time Director of the Company with the approval of the Central Government vide their letter No. 1(159)-CL-VII/96 dated 17th January, 1997 for a period of five years with effect from 1st September, 1996 till 31st August, 2001. He is deeply involved in the Finance, Marketing and project execution activities of the Company. Keeping in view his contribution in the growth of company, his expertise and experience, the Board of Directors recommend for your approval, the reappointment of Mr. Vishal Gupta as Whole-time Director and payment of remuneration and other benefits to him as stated in the resolution for a period of five years w.e.f. 1st September, 2001.

The notice together with the explanatory statement may be taken as the abstract of the terms of contract with the Whole-time Director together with the Memorandum of concern or, interest of the Director under Section 302 of the Companies Act, 1956.

The resolutions at Business No. 5 is therefore recommended for approval of the members by means of **ORDINARY RESOLUTION** as required under Companies Act, 1956.

Except Mr. Om Prakash Gupta and Mr. Vishal Gupta himself, no other Directors of the Company are concerned or interested in the said resolution.

By order of the Board

Place : New Delhi  
Date : 30th June, 2001

D.B.R.Srikanta  
Company Secretary



**ASHIANA HOUSING & FINANCE (INDIA) LTD.****DIRECTORS' REPORT**

To the Member(s),

Your Directors have pleasure in presenting the 15th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2001.

**FINANCIAL RESULTS**

The financial results of the Company for the year ended 31st March, 2001 are as follows:-

(Rs. in Lacs)

SL. NO.	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
01.	Sales and other Income	1104.36	1007.90
02.	Profit before Depreciation	89.10	82.86
03.	Depreciation	13.71	15.07
04.	Profit after Depreciation but before Taxation	75.39	67.79
05.	Provision for Taxation	22.00	18.00
06.	Profit after Depreciation and Taxation	53.39	49.79
07.	Surplus brought forward from previous year	2.85	3.06
08.	Income Tax adjustment	(0.57)	0.003
09.	Profit available for Appropriation	55.67	52.85
10.	Transfer to General Reserve	50.00	50.00
11.	Balance Surplus carried to Balance Sheet	5.67	2.85

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT****A. Industry Structure and Developments.**

Both the Public and Private Sector share the Real Estate Industry. The Central & State Government owned Institutions, Housing Boards etc. and other Autonomous Bodies play a major role in developing the infrastructural facilities like roads, power, water supply, sewage disposal, transportation etc. and housing for low income group people. The Private Sector both organised and unorganised mainly cater the housing need of different section of people. The Housing Sector in India presently contributes roughly 4 % of GDP and 10-13 % gross capital formation.

The Development of Private Sector is entirely dependent on the infrastructural development which is carried out mainly by Public Sector/States. The present structure would need change in order to speed up the pace of development. The Government may like to concentrate more on large scale infrastructural development like roads, power supply, water supply etc. in order to help the Private Sector to provide more residential as well as commercial complexes such as office spaces, shopping centers etc. The build up of social infrastructure like schools, colleges, hospitals, retail etc. should be best left to the private industry. To expedite the pace of growth of Real Estate Industry, Research & Development efforts towards design, use of building materials and methods of construction etc. need to be accelerated.

**B. Opportunities and threats.**

After a five year lull in the Real Estate Market, property is again catching Investors' fancy. The Tax sops offered in the Union Budget, changes in Urban Land Ceiling Act and attractive offers from Housing Finance Institutions have brought the Real Estate Market into the limelight. Every one today is concerned for a roof over their head. The housing loan schemes now available have made this dream possible. Your Directors feel that these changes offer a great opportunity for your Company to come up to the expectation of the common man.

The biggest threat to the Real Estate Industry is the scarcity of developed land with adequate infrastructural facilities like power, water supply, sewage system etc.. The alarming hike in the rate of stamp duty and registration charges on transfer of property and out-dated Rent Control Act are also hurdles in growth of the industry. Another cause of concern to the industry is the mushroom growth of builders who don't have the necessary expertise to deliver a product on time, within the cost stipulated and of the quality promised. Only those would survive who ensure adherence to QTC - Quality, Time and Costs. Your Directors, who strictly adhere to the QTC factors do not foresee any threat to the Company.

**C. Segment wise performance**

Your Company's philosophy is to provide quality housing at an affordable cost and within time. The main focus of the Company is to cater the housing need of Middle/Lower Income Group people. The performance of the Company is satisfactory and it stands committed to its philosophy.

**D. Out look**

Your Company has the necessary infrastructure and 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 & Jharkhand. With the strong commitment of providing quality housing at an affordable cost to the middle income group people, the growth of your Company is very certain.

**E. Risk & Concern**

The downturn in the market has affected all Companies. However, the stable position that your company occupies enables it to cater to the need of housing accommodation of its customers.

**F. Internal Control System**

The System of Internal control of the Company is adequate keeping in view the size and complexity of the Company's business. Systems are regularly reviewed to ensure effectiveness.

**G. Performance of the Company****Financial :**

The performance of the Company is satisfactory during the financial year 2000-2001. The Sales & Other Incomes of the Company for the Financial year 2000-2001 was recorded at Rs. 1104.36 Lacs as compared to Rs. 1007.90 Lacs in the previous year. The Company's profit after

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depreciation & taxation during the Financial year 2000-2001 was Rs. 53.39 Lacs as against Rs. 49.79 Lacs in the previous financial year. Your Directors expect better results in the coming years keeping in view the projects in hand.

#### Operational (Project Expansion) :

##### Bhiwadi (Rajasthan)

The construction of the first & second phase of residential complex "Ashiana Gulmohar Park" at Vasundhara Colony, Bhiwadi has been completed and handed over to the buyers of the flats. The Third phase of the aforesaid complex is at advance stage of completion and the progressive handing over of the flats would be started very shortly. The construction of first phase of residential complex "Ashiana Gardens" at village Khanpur, Tehsil Tijara, Dist. Alwar is progressing satisfactorily

##### Nimrana

The Construction work of the residential complex "Ashiana Green Hill" on 10 acres plot at Nimrana Industrial Area, Delhi-Jaipur Highway is slow due to poor demand.

##### Jamshedpur (Jharkhand)

Both the second and third phase of residential complex "Ashiana Enclave" is completed. The construction work of first phase of the residential complex "Ashiana Suncity" is in full swing and expected to be completed by May, 2002. The booking of second phase is in progress and construction is likely to start in October, 2001.

#### Section 80(IB) Projects

Your Directors have pleasure in reporting that the second phase of Ashiana Gulmohar Park, Bhiwadi and third phase of Ashiana Enclave, Jamshedpur are eligible projects for claiming deduction under Section 80 (IB) of the Income Tax Act, 1961. Besides the above third phase of Ashiana Gulmohar Park, first & second phase of Ashiana Gardens at Bhiwadi and first phase of Ashiana Suncity at Jamshedpur are also eligible projects under Section 80 (IB) of the Income Tax Act, 1961.

#### H. Material Development in Human Resources/ Industrial Relation

Being a Real Estate Company, Human Resources Development is a prime area of focus for your Company. The Company is providing on job training to its employees on continuous basis. Your Company's industrial relations continued to be excellent.

#### 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.

#### DIRECTOR

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

#### 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, 2001 of M/s. Ashiana Apartments Pvt. Ltd. and M/s. Vatika Marketing Pvt. Ltd. are annexed to this Account pursuant to Section 212 of the Companies Act, 1956.

#### 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) of the Companies Act, 1956 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. 2,18,164/- has been incurred in foreign currency during the year under review.

#### 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.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that :

- (I) in the preparation of the annual accounts, the applicable accounting standards have been followed by the Company;
- (II) such accounting policies have been selected and consistently applied and judgements & estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2001 and of the profit of the Company for the year ended on that date;
- (III) proper and sufficient care has been taken 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) annual accounts have been prepared on a going concern basis.

#### CORPORATE GOVERNANCE

The Company is required to implement the requirement of Corporate Governance in the year 2002-2003, i.e., within March 31, 2003. The Directors are pleased to report that most of the mandatory requirements have been implemented by the Company voluntarily in the year 2000-2001 itself.



## ASHIANA HOUSING &amp; FINANCE (INDIA) LTD.



## 1. Company's Philosophy on Code of Governance

Company's Philosophy on voluntary corporate governance envisages the attainment of the highest levels of transparency, accountability and equity in all its operations and in all interactions with its shareholders, creditors, employees, Government etc..

The Company is committed to achieve the highest standards of corporate governance. Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

## 2. Board of Directors

(a) The present composition of the Board of Directors is as below :-

Sr. No.	Name of Director	Executive / Non-executive	No. of other	
			Directorships	Committee memberships
1.	Om Prakash Gupta	Executive	3	2
2.	Ashok Kumar Mattoo	Non-Executive & Independent	4	2
3.	Raj Kumar Modi	Non-Executive & Independent	5	3
4.	Lalit Kumar Chhawchharia	Non-Executive & Independent	4	1
5.	Vishal Gupta	Executive	1	—

The Board consists of five Directors of whom two are Executive Directors and three are Non-Executive Directors. Mr. Om Prakash Gupta is the Managing Director. He was appointed as a Managing Director initially for a period of five years by the Shareholders and with the approval of the Central Government w.e.f. 01.06.1992. Again he was re-appointed as Managing Director of the Company by the shareholders till 31.03.2002 as per resolution approved by the them. The Company and Mr. Om Prakash Gupta are entitled to terminate the service contract by giving 90 days' notice to either party in writing. Mr. Vishal Gupta was appointed as Whole-time Director of the Company by the Shareholders and with the approval of Central Government for a period of five years w.e.f. 1st September, 1996 till 31st August, 2001. The Board of Directors recommend his re-appointment for a further period of five years w.e.f. 1st September, 2001 to the shareholders for their approval in the ensuing general meeting of the Company. All directors are professionally qualified and have a proven track record in their respective field and business matters.

(b) Board Meeting held in financial year 2000 - 2001 and attendance of Directors :-

The meeting of Board and its Committee/s are generally held in New Delhi and scheduled well in advance. The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and financial results. Detailed agenda notes with MIS reports, charts etc. are circulated well in advance. The Directors actively participate in the deliberation at these meetings.

The Board meetings held nine times during the financial year 2000-2001, the date of which are as follows :

- |                     |                      |
|---------------------|----------------------|
| 1. May 02, 2000     | 6. November 25, 2000 |
| 2. May 31, 2000     | 7. January 03, 2001  |
| 3. July 29, 2000    | 8. January 30, 2001  |
| 4. October 10, 2000 | 9. March 19, 2001    |
| 5. October 31, 2000 |                      |

The attendance of each Director at these meeting was as follows :

Sr. No.	Name of Director	No. of Board Meeting attended	Attendance at last AGM
1.	Om Prakash Gupta	9	Present
2.	Ashok Kumar Mattoo	4	Not Present
3.	Raj Kumar Modi	4	Not Present
4.	Lalit Kumar Chhawchharia	4	Present
5.	Vishal Gupta	9	Not Present

## 3. Audit Committee

The Company has an Audit Committee of Board since January 03, 2001 which comprises of three Non-Executive Directors. Consequent to introduction of Corporate Governance through changes in the listing agreement with the stock exchanges, the Audit Committee meeting was held on January 30, 2001 during financial year 2000-2001. The composition of the Audit Committee is as follows:

Sr. No.	Members of Audit Committee	No. of meetings attended
1.	Ashok Kumar Mattoo (Chairman)	1
2.	Raj Kumar Modi	1
3.	Lalit Kr. Chhawchharia	1

The committee acts as a link between the Management, External and Internal Auditors and the Board of Director of the Company. The Committee has full access to financial data. The Committee is responsible for an overview of the financial reporting process, review of internal audit work, periodic interaction with external auditors and review of quarterly/half yearly and annual financial results prior to approval by the Board.

The Committee discussed with the external auditors about their audit methodology, audit planning for the year and also ascertained the quality and accuracy of the Company's financial processes and the areas of concern. The Audit Committee also discussed major issues related to internal control, risk management, compliance and financial reporting. The Committee also reviewed the financial statements before they were submitted to the Board.

## 4. Remuneration Committee

The Remuneration Committee of the Board was constituted to recommend to the Board the remuneration package of Executive Directors. There were no meetings held during the financial year ended 31st March, 2001. The first meeting of the Remuneration Committee was held on 30/06/2001. The Composition of Remuneration Committee is as follows:



Sr. No.	Members Remuneration Committee
1.	Mr. Om Prakash Gupta (Chairman)
2.	Mr. Ashok Kumar Mattoo
3.	Mr. Raj Kumar Modi

#### 5. Transfer and Shareholders' / Investors' Grievance Committee

As required by Listing Agreement entered into between the Company and the Stock Exchanges the name of the 'Share Transfer Committee' has been changed to 'Transfer and Shareholders'/Investors' Grievance Committee'. The members of the Committee are Shri Om Prakash Gupta, Managing Director and Mr. Raj Kumar Modi, Director of the Company. Mr. D. B. R. Srikanta, Company Secretary has been delegated to head the committee. The scope of the "Transfer and Shareholders'/Investors' Grievance Committee" was enlarged to monitor investors' grievances/complaints along with the share transfer. The Committee approved the share transfer at its meeting which were held once or twice in a month. The Transfer and Shareholder/Investor Grievance Committee also took note of the findings of audit carried out by practicing Company Secretary and implemented the suggestions. As required by the listing agreement executed with Stock Exchanges, Mr. D.B.R. Srikanta, Company Secretary, was appointed as a 'Compliance Officer' and entrusted to monitor the share transfer process and liaise with the regulatory authorities.

No. of Transfer Committee Meetings held	No. of pending share transfers	No. of investor complaints received in 2000 - 2001	Complaints Pending at the end of the year
12	Nil	37	Nil

#### 6. General Body Meetings

The Annual General Meetings of the Company (AGMs) have been held at the following places in last three years.

For the year	Venue	Day and Date	Time	Whether Special resolution
1997-1998	Hotel Shalimar, 3, S. N. Banerjee Road, Kolkata-13	Saturday, Sep. 26, 1998	11.30 A.M.	Yes
1998-1999	Hotel Shalimar, 3, S. N. Banerjee Road, Kolkata-13	Saturday, Sep. 25, 1999	11.30 A.M.	Yes
1999-2000	Hotel Shalimar, 3, S. N. Banerjee Road, Kolkata-13	Thursday, Nov. 23, 2000	3.00 P.M.	No

No resolutions requiring postal ballot as recommended under Companies (Passing of Resolution by Postal Ballot) Rules, 2001 have been placed for shareholders' approval at the last Annual General Meeting.

#### 7. Disclosures

No transactions of the Company of material nature with directors were in potential conflict with interest of the Company at large. The Company has complied with all the requirements of the Listing Agreement with the Stock Exchange(s) as well as regulations and guidelines of SEBI. No penalties have been passed on the Company by SEBI, Stock Exchange(s) or any statutory authorities.

#### 8. Means of Communication

The quarterly Unaudited Financial Results and Annual Financial Results are published in leading national newspapers, i.e., Financial Express/ Business Standard (English) and Kalantar (Bengali). The Company has its own web site [www.ashianahousing.com](http://www.ashianahousing.com) where other related information is available. The Management's Discussion and Analysis report prepared by the Management forms part of the Annual Report.

#### 9. General Shareholder's Information

##### (a) Annual General Meeting

Day, Date and Time	Saturday, 22nd September, 2001 at 12.30 P.M.
Venue	Hotel Shalimar, 3, S.N. Banerjee Road, Kolkata-13
Agenda (Ordinary Business)	1. Adoption of Annual Accounts 2. Re-appointment of Director 3. Re-appointment of Auditors
(Special Business)	a. Alteration of Articles of Association for dematerialisation of shares b. Alteration of Articles of Association for Passing of Resolutions through Postal Ballot c. Appointment of Shri Vishal Gupta as Whole-time Director of the Company

##### (b) Financial Calendar

Year	1st April to 31st March
First Quarter results	3rd or 4th week of July
Second Quarter results	3rd or 4th week of October
Third Quarter results	3rd or 4th week of January
Fourth Quarter results/ Audited Fin. results	3rd or 4th week of April / June

##### (c) Book Closure

The Company's Register of Members and Share Transfer books will remain closed from September 18, 2001 to September 22, 2001 (both days inclusive) for the purpose of Annual General Meeting of the Company.

##### (d) Stock Exchanges

The Company's equity shares are listed on the following Stock Exchanges.

Sr. No.	Name and address of the Stock Exchanges	Security Code No.
1.	The Calcutta Stock Exchange Association Ltd. (Regional) 2, 7, Lyons Range, Kolkata 700 001	11109
2.	The Stock Exchange, Mumbai P.J.Towers, Dalal Street, Mumbai - 400 001	23716
3.	Delhi Stock Exchange Association Ltd. DSE House, 3/1, Asaf Ali Road, New Delhi- 110002	1158
4.	Magadh Stock Exchange Association 9th Floor, Ashiana Plaza, Budh Marg, Patna - 800 001	A-93