

# **ASHRAM ONLINE.COM LIMITED**



**ANNUAL REPORT 2007 - 2008**

Board of Directors	:	1
Notice of the Annual General Meeting	:	2
Report of the Board of Directors	:	5
Report on Corporate Governance	:	9
Report of the Auditors	:	23
Balance Sheet	:	28
Profit and Loss Account	:	29
Schedules forming part of Accounts	:	30
Cash Flow Statement	:	34
Balance Sheet Abstract	:	38
Attendance Slip / Proxy Form	:	39

## **Board of Directors**

Chairman	: Shri. S. Pannalal Tatia
Managing Director	: Shri. S.P. Bharat Jain Tatia
Directors	: Shri. E. Subbarayan Shri. Gopal B Ahuja Shri. D. Ruby
Auditors	: M/s. K. Subramanyam & Co. Chartered Accountants No.252, Mugappair ERI Scheme Third Main Road, Chennai - 600 037.
Registered Office	: 'Prince Tatia Info Park' No.81 B, Second Main Road, Ambattur Industrial Estate, Chennai - 600 058, email : <a href="mailto:tatia@vsnl.com">tatia@vsnl.com</a>
Bankers	: State Bank of Travancore Commercial Branch Teynampet, Chennai - 600 018.  HDFC Bank Ltd., Anna Nagar West, Chennai - 600 040.
Share Transfer Agents (For Demat Mode)	: Cameo Corporate Services Ltd., No.1, Club House Road, Subramanian Building, Chennai - 600 002.
Share Transfer System (For Physical Mode)	: Inhouse

**ASHRAM ONLINE.COM LIMITED****NOTICE OF SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY**

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Shareholders of Ashram online .com Limited will be held at **SOMUGHANALA KUDAM, VALLANUR, AMABATUR, CHENNAI – 600 062** on Tuesday 30th September 2008, at 9. 00 a.m., to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Balance Sheet as at 31<sup>st</sup> March , 2008, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. S. Pannalal Tatia ,Director, who retires by rotation and being eligible,offers himself for reappointment.
3. To appoint a Director in place of Mr. Gopal B Ahuja, who retires by rotation and being eligible , offers himself for reappointment.
4. To re- appoint M/s K. Subramanyam & Co., Chartered Accountants, Chennai as the Auditor of the Company and to authorize the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS:**

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 269 read with schedule XIII and all to other applicable provisions of the Companies Act, 1956 and pursuant to the provisions of Article No. 113 of the Articles of Association of the company also subject to approval of the central Government, if required, consent of the Board be and is hereby accorded to the appointment- of Mr. S. P. BHARAT JAIN TATIA as Managing Director of the company for a period of five years with effect from 3.07.2008 , on such terms and condition as may be determined by the board from time to time. “

**By order of the Board of Directors  
For ASHRAM ONLINE.COM LIMITED**

**Sd/-  
S.PANNALAL TATIA  
Chairman.**

**Place : Chennai**

**Date : 31<sup>st</sup> July 2008**

**NOTES:-**

**A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY**

- i) The Proxy form duly completed must reach the Registered Office of the Company not later than forty eight hours before the time appointed for holding the meeting.
- ii) The Register of Members and the Share Transfer books shall remain closed from 16.09.2008 to 30.09.2008 (both days inclusive)
- iii) Members are requested to notify immediately any change in the address
  - To the respective Depository Participants ( DP's) in respect of their electronic share accounts.
  - To the registered office at No. 81 B, 2<sup>nd</sup> Main Road Amabattur Industrial Estate, Chennai – 600 058 in respect to their physical share folios.
- iv) For the convenience of the shareholders attendance slip is annexed to the proxy form The members are requested to bring the attendance slips duly filled in along with their copies of the annual reports to the meeting. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
- v) The Securities and Exchange Board of India notified your company's equity shares for compulsory trading in dematerialized form. Shareholders may avail such facility.
- vi) The equity shares of the Company are listed on Bombay Stock Exchange Limited and Madras Stock Exchange Limited.
- vii) Members have any specific query on the financial statements of the company are requested to mail their queries directly to the company.
- viii) Shareholders are requested to furnish the email ID's to enable the company forward information in relation to the company.
- ix) The Company has designated an exclusive email ID called [tatia@vsnl.com](mailto:tatia@vsnl.com) for redressal of shareholder's complaints/ grievances . In case you have any queries/ complaints or grievance then please write to us at our mail ID provided above.
- x) Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order or names are requested to send the share certificates to the Company's Registrar and Transfer agent, M/s Cameo Corporate Services Ltd, for consolidation in to single folio.

- xi) The shares of the Company are tradeable compulsorily in electronic form and your company has established connectivity with both the depositories i.e. National Securities Depositories Limited (NSDL) and Central Securities Depositories Limited (CSDL). In view of the enormous advantages offered by the Depository Systems, Members are requested to avail the facilities of dematerialization of the Company's Shares on either of the depositories as aforesaid.

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

**Item No. 1**

Mr. S. P. Bharat Jain Tatia has been Managing Director of the Company Since 2<sup>nd</sup> July 2003, his presence in the company has been relevant in sustaining the company in difficult time over a period of recession.

The Board at its meeting held on 31<sup>st</sup> July 2008 was Re- appointed, Mr. S. P. Bharat Jain Tatia as Managing Director without remuneration , the board got satisfied and has also tender its approval and concurrence for the proposed nomination.

In the said meeting in exercise of power conferred by Articles 113 of the Company, pursuant of section 269, and subject to schedule XIII of the Companies Act 1956. Mr. S. P. Bharat Jain Tatia be appointed as Managing Director of the company from 3<sup>rd</sup> July 2008 for period of 5 years.

No Directors is interest in this Resolution except Mr. S. P. Bharat Jain Tatia & S. Pannalal Tatia.

**BY THE ORDER OF THE BOARD  
FOR ASHRAM ONLINE .COM LIMITED**

**Sd/-  
S. PANNALAL TATIA  
CHAIRMAN**

**PLACE : CHENNAI**

**DATE : 31.07.08**

**DIRECTORS' REPORT**

**Dear Shareholders,**

Your Directors have great pleasure in presenting the 17<sup>th</sup> Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March 2008.

**OPERATIONS**

The financial results of the Company for the year ended 31<sup>st</sup> March 2008 is summarized below:

*(Rs in Lacs)*

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March 2008</b>	<b>Year ended 31<sup>st</sup> March 2007</b>
Income from Operations	703.32	541.80
Non-operating Income	6.64	0
Total Income	709.96	541.80
Total Expenditure	707.54	536.53
Profit before Depreciation, Interest and Taxation	2.42	5.27
Interest & Finance Charges	0.06	0.03
Depreciation	0.35	0.44
Profit before Tax	2.01	4.80
Provision for Current Taxes	0.18	0.11
Provision for Deferred Taxes	0	0
Profit after Tax	1.83	4.69
Balance in Profit & Loss Account	45.51	40.82
Balance carried to Balance Sheet	47.34	45.51

Your Company has achieved income of Rs. 2.42 lacs for the financial year 2007-08 as compared to Rs 5.27 lacs in the previous year 2006-07.

**DIVIDEND**

In order to stream Line Company's business model, the board of directors have decided not to declare any dividend for the current fiscal and have decided to conserve the company's funds for re-deployment in order to generate better value for the stake holders in the years to come.

**FIXED DEPOSITS**

The company has not invited or accepted any Fixed Deposits from the public.

**DIRECTORS**

Mr. S Pannalal Tatia and Mr. Gopal B Ahuja, Directors retire by rotation and being eligible offer themselves for reappointment.

**DIRECTORS RESPONSIBILITY STATEMENT**

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

- i) in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2008 the applicable Accounting Standards have been followed and there are no material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account of the company for that period;
- iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared annual accounts on a going concern basis.

**AUDITOR'S**

M/s K Subramanyam & Co, Chartered Accountants, Auditors of the Company, retire at ensuing Annual General Meeting and have furnished a certificate under Section 224(1B) regarding their eligibility for reappointment as the Company's Auditors for the year 2008 - 09.

**PARTICULARS OF EMPLOYEE'S**

Particulars of the employees of the Company who were in receipt of remuneration, which in aggregate exceeded the limits fixed under Section 217 (2A) of the Companies Act, 1956 and Companies (Particulars of Employees) Rules 1975 is not applicable to the company for the year.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

As the company is not an industrial undertaking, accordingly, particulars with regard to conservation of energy and technology absorption and adaptation required to be given under these heads in accordance with the provisions of 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 applicable. There is no reportable information on Foreign Exchanges Earnings and Outgo during the review under review.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The Management Discussion & Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreements is presented in a separate section forming part of the Directors Report.



## **CORPORATE GOVERNANCE**

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the requirements set out by the Securities Exchange Board of India's, Corporate Governance Practices and have implemented all the stipulations prescribed. Report on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is presented in a separate section forming part of the Directors' Report.

## **EXPLANATION TO AUDITORS OBSERVATION**

The company has filed a writ petition and obtained stay order from the Honourable High Court of Madras.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation for assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers and Members during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for committed and dedicated services of the workers, staff, and officers of the Company.

**BY THE ORDER OF THE BOARD  
FOR ASHRAM ONLINE .COM LIMITED**



**Sd/-  
S. PANNALAL TATIA  
CHAIRMAN**

**PLACE : CHENNAI**

**DATE : 31.07.08**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENT**

Robust growth in the economic activity in various sectors of the economy compelled company to improve performance alongside the economic activity. Barring unforeseen circumstances, the company would be able to achieve its financial objectives without much of constraints.

The company will continue its business strategy of building and creating value for all its stakeholders in both its existing and new business.

**OPPORTUNITIES, THREATS, RISKS AND CONCERNS**

There exists abundant opportunities for growth. However, cut throat competition coupled with escalation in the cost of inputs and changes in the policies of the government are the areas of concern. However with the experience and expertise of the management, the company would withstand competition and convert threats in to opportunities.

**SEGMENTWISE / PRODUCTWISE PERFORMANCE**

The Company has currently only one segment in line with the Accounting Standard on Segment Reporting (AS-17). Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

**INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company has adequate system of internal control in place. This is to ensure that assets are safeguarded and all transactions are authorized, recorded and correctly reported. The internal audit function is empowered to examine the adequacy, relevance and effective control system, compliance with policies, plans and statutory requirements. The top management and the Audit Committee of the Board review the findings and recommend to the Board improvement on the same.

**CAUTIONARY STATEMENT**

Statements of Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements". As forward looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control. The Company assumes no responsibility to publicity, amend, modify or revise any forward looking statements on the basis of any statements, development, information or events.