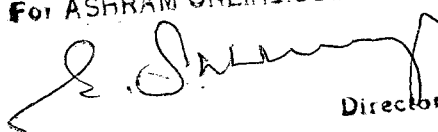


# ASHRAM ONLINE.COM LIMITED

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For ASHRAM ONLINE.COM LTD

  
Director

ANNUAL REPORT 2008 - 2009

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## Board of Directors

Chairman	: Shri. S. Pannalal Tatia
Managing Director	: Shri. S.P. Bharat Jain Tatia
Directors	: Shri. E. Subbarayan Shri. Gopal B Ahuja Ms. 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 : tatia@vsnl.com
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

**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 25.09.2009 to 30.09.2009 (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 Ambattur 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 into 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.

xii) REQUEST TO MEMBERS:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the meeting. They are further requested to occupy the seats at least fifteen minutes before the scheduled time for the commencement of the meeting to avoid interruption in the proceedings.

- xiii) The Securities and Exchange Board of India (SEBI) vide Circular Ref. No.MRD/DOP/CIR-05/2007 dt.27.04.2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. In continuation of the aforesaid circular, it is hereby clarified that for securities market transaction and off-market / private transaction involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company / RTA for registration of such transfer of shares.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT , 1956****Item No. 5****Voluntary Delisting of Equity shares**

The Equity Shares of the Company are currently listed at Madras Stock Exchange Limited and Bombay Stock Exchange Limited. Consequent to rapid changes in the capital market and with the availability of nationwide trading facility on the Bombay stock Exchange limited, the investor have wide accessibility for trading in the equity shares of the company. While transaction are reported on a daily basis in BSE, there are no transaction at the Madras Stock Exchange Limited ever since April 2001. The regional exchange appear to have lost their relevance in most cases.

It is accordingly proposed to voluntarily delisting the Equity shares of the Company from Madras Stock Exchange limited subject to necessary approval as may be required in this regard. As per Delisting of Securities Guidelines, 2003 issued by Securities and Exchange Board of India ( SEBI), an exit opportunity need not be provided to the shareholders in the event of delisting, provided the Equity shares continue to be listed at BSE.

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

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

**PLACE : CHENNAI**

**DATE : 02.09.2009**

**DIRECTORS' REPORT**

**Dear Shareholders,**

Your Directors have great pleasure in presenting the 18<sup>th</sup> Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March 2009.

**OPERATIONS**

The financial results of the Company for the year ended 31<sup>st</sup> March 2009 is summarized below:

*(Rs in Lacs)*

Particulars	Year ended 31 <sup>st</sup> March 2009	Year ended 31 <sup>st</sup> March 2008
Income from Operations	-	703.32
Non-operating Income	10.23	6.64
Total Income	10.23	709.96
Total Expenditure	28.11	707.39
Profit before Depreciation, Interest and Taxation	-17.88	2.57
Interest & Finance Charges	0.00	0.07
Depreciation	0.29	0.35
Profit before Tax	-18.17	2.15
Provision for Current Taxes	0	0.33
Provision for Deferred Taxes	0.03	0
Profit after Tax	-18.13	1.82
Balance in Profit & Loss Account	47.33	45.51
Balance carried to Balance Sheet	29.20	47.33

Your Company has incurred a loss of Rs. 18.13 lacs for the financial year 2008-09 as compared to profit of Rs. 1.82 lacs in the previous year 2007-08.

**DIVIDEND**

Due to on going business constraints to maintain operating profitability, the board of directors have decided not to declare any dividend for the current fiscal.

**FIXED DEPOSITS**

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

**DIRECTORS**

Mr. E. Subbarayan and Ms. D. Ruby, 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, 2009 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 : 2<sup>nd</sup> September, 2009**



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

Global Economic recession has affected growth in the economic activity in various sectors of the economy and accordingly has compelled company to survive alongside the dwindling economic activity. Barring unforeseen circumstances, the company would be able to achieve its financial objectives without much of constraints.

**OPPORTUNITIES, THREATS, RISKS AND CONCERNS**

There exists abundant opportunities for growth. However, slow down of market activity and cut throat competition coupled with 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.

**REPORT ON CORPORATE GOVERNANCE****1. Philosophy on Code of Governance**

The Company right from its inception has been committed to the highest standards of Corporate Governance Practices and to attain the highest levels of transparency, accountability and equity in all facets of its operations and in its all interactions with its Stakeholders including Shareholders, Employees, Lenders, Customers and the Government.

Your Company believes that all its actions must serve the underlying goal of enhancing overall Stakeholders' wealth over a period of time. It has adopted the best practice of Industry for Corporate Governance.

This section, along with section on 'Management Discussion and Analysis Report' and 'General Shareholders Information constitute Company's compliance with the Clause 49 of the Listing Agreement.

The Board is comprised of appropriate mix of Executive, Non-Executive and Independent Directors maintaining the Independence of the Board. The Board presently consists of five members comprising of the Managing Director, and four Non-Executive Directors out of which three are Independent Directors and more than half of the board comprises of independent directors.

Composition of the Board and directorship held during the year are as follows:

Sl. No	Name(s)-of Director (s)	Executive/ Non- executive/ Independent	Other directorships (Excluding Private Limited Companies)	Number of Committee membership in other Companies*	no of Committee Chairmanship in other Companies*
1	Sri. S. Pannalal Tatia -Chairman	PD & NED	2	2	NIL
2	Sri. S.P. Bharat Jain Tatia - Managing Director	ED	2	Nil	NIL
3	Sri. E. Subbarayan -Director	NED & ID	2	1	NIL
4	Sri. Gopal B Ahuja - Director	NED & ID	NIL	NIL	NIL
5	Ms. D. Ruby - Director	NED & ID	1	1	NIL

PD - Promoter Director; ED - Executive Director; NED - Non Executive Director; ID - Independent Director

In accordance with clause 49 of listing agreement, membership/ chairmanship of only Audit and Shareholders and Investors Grievance Committee has been considered.

**2. Directors' Profile****BRIEF PARTICULARS OF THE DIRECTORS SEEKING RE-APPOINTMENT**

**Name of the Director** : Shri. E. Subbarayan  
**Age** : 52 years  
**Date of Appointment** : 02.07.2003  
**Experience in Specific Area** : Accounts & Finance  
**Qualification** : Bachelor in Science  
**List of Outside directorship held** : Private - 0 . Public -2  
**Chairman and member of Committee of Board of other Companies** : Chairman - Share Transfer cum Investor Relation Committee  
Kreon Financial Services Limited