

# **ASHRAM ONLINE.COM LIMITED**

**ANNUAL REPORT 2009 - 2010**

Board of Directors	:	1
Notice of the Annual General Meeting	:	2
Report of the Board of Directors	:	4
Report on Corporate Governance	:	8
Report of the Auditors	:	20
Balance Sheet	:	23
Profit and Loss Account	:	24
Schedules forming part of Accounts	:	25
Cash Flow Statement	:	29
Balance Sheet Abstract	:	32
Attendance Slip / Proxy Form	:	33

## **Board of Directors**

Chairman cum  
Executive Director

: Shri. S. Pannalal Tatia

Directors

: Shri. S.P. Bharat Jain Tatia  
Shri. E. Subbarayan  
Shri. Gopal B Ahuja  
Ms. D. Ruby (Resigned w.e.f.31.03.2010)  
D. Hemamalini (Appointed w.e.f.31.03.2010)

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

**ASHRAM ONLINE.COM LIMITED**

**NOTICE OF NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY**

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Shareholders of Ashram online .com Limited will be held at SOMUGHANALA KUDAM, VALLANUR, AMABATUR, CHENNAI – 600 062 on Thursday 30th September 2010, 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, 2010, 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 Mr. 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**

5. To consider and if though fit to pass with or without modification(s) the following resolution as ordinary resolution.

"RESOLVED THAT Mr. D. Hemamalini, who was appointed as Additional Director at the meeting of the Board of Directors of the Company held on 31-03-2010 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing her candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation"

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

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

**Place : Chennai  
Date : 2<sup>nd</sup> September 2010**



**NOTES:-**

- i) 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.
- ii) 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.
- iii) The Register of Members and the Share Transfer books shall remain closed from 23.09.2010 to 30.09.2010 (both days inclusive)
- iv) 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.
- v) 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.
- vi) The Securities and Exchange Board of India notified your company's equity shares for compulsory trading in dematerialized form. Shareholders may avail such facility.
- vii) The equity shares of the Company are listed on Bombay Stock Exchange Limited and Madras Stock Exchange Limited.
- viii) Members have any specific query on the financial statements of the company are requested to mail their queries directly to the company.
- ix) Shareholders are requested to furnish the email ID's to enable the company forward information in relation to the company.
- x) The Company has designated an 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.
- xi) 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.
- xii) The shares of the Company are tradable 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. 5**

Ms. D. Hemamalini was appointed by the Board of Directors as Additional Directors on 31-03-2010. According to section 260 of the Companies Act, 1956 she shall hold office until ensuing Annual General Meeting. The Company has received notices in writing from members proposing the candidature of the above person as directors in terms of section 257 of the Companies Act, 1956. Hence the resolution in item no 5 is now been placed before share holders for approval.

None of the other Directors except Ms. D. Hemamalini interested in respect of her appointment.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the 19<sup>th</sup> Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March 2010.

**OPERATIONS**

The financial results of the Company for the year ended 31<sup>st</sup> March 2010 is summarized below:

(Rs in Lacs)

Particulars	Year ended 31 <sup>st</sup> March 2010	Year ended 31 <sup>st</sup> March 2009
Income from Operations	-	-
Non-operating Income	13.54	10.23
Total Income	13.54	10.23
Total Expenditure	26.09	28.11
Profit before Depreciation, Interest and Taxation	-12.55	-17.88
Interest & Finance Charges	0.00	0.00
Depreciation	0.23	0.29
Profit before Tax	-12.78	-18.17
Provision for Current Taxes	0	0
Provision for Deferred Taxes	0	0.03
Profit after Tax	-12.78	-18.13
Balance in Profit & Loss Account	29.21	47.33
Balance carried to Balance Sheet	16.42	29.20

Your Company has incurred a loss of Rs. (-12.78) lacs for the financial year 2009-10 as compared to loss of in the previous year 2008-09.

**DIVIDEND**

Since the company incurred Loss no dividend is recommended for the current financial year by the Board of Directors

**FIXED DEPOSITS**

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposit was out standing as on date of balance sheet.



## DIRECTORS

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

During the year Ms. D. Ruby has resigned her directorship. The Board places on record its appreciation of the invaluable contribution made by her during her tenure as a Director of the company.

Mr. Bharat Jain Tatia explained his inability to continue as Managing Director due to his personal reason. The Board accepted the resignation and expressed its sincere thanks for the services rendered by him. On considering his rich caliber and contribution to the Company, it was decided by the Board to avail his service by continuing his service as Non-Executive Director in the Board.

### Appointment of Additional Director

During the year Ms. D. Hemamalini is appointed as the Additional Director on 31.03.2010 according to Section 260 of the Company Act, 1956.

### Change in Designation:-

Mr. S. Pannalal Tatia , Director is re-designated as Executive Director cum Compliance officer of Company.

## RESIGNATION

During the year Ms. D. Ruby has ceased to be Director due to resignation. The Board places on record its appreciation of the invaluable contribution made by her during her tenure as a Director of the company.

## 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, 2010 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.

## AUDIT COMMITTEE

The Audit Committee that was constituted pursuant to Section 292 A of the Companies Act , 1956 has Mr. Gopal B Ahuja ( Chairmen ), Mr S. Pannalal Tatia and Ms. D. Hemamalini as its Members.

## 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 2010 - 11.

## 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.

## PARTICULARS AS REQUIRED UNDER 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

### Conservation of Energy

The Company had taken steps to conserve energy in its office use, consequent to which energy consumption has been minimized. No additional Proposals/Investments were made to conserve energy. Since the company has not carried on industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable.

### Technology Absorption:-

The company has not adopted / intends to adopt any technology for its business and hence no reporting is required to be furnished under this heading.

### Foreign Exchange Inflow & Outgo:-

Foreign Exchange inflow during the year :- Nil

Foreign Exchange outgo during the year :- Nil

## 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

As regards the qualification given by the auditor in Point No. ix Annexure to Auditors Report. The company has filed a writ petition and obtained stay order from the Honorable 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 2010



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**

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

**REPORT ON CORPORATE GOVERNANCE****A. MANDATORY REQUIREMENTS****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 Executive 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 cum Executive Director	PD & ED	2	2	NIL
2	Sri. S.P. Bharat Jain Tatia - Director	PD & NED	2	Nil	NIL
3	Sri. E. Subbarayan -Director	NED & ID	2	2	NIL
4	Sri. Gopal B Ahuja - Director	NED & ID	NIL	NIL	NIL
5	Ms. D. Ruby - Director Resigned w.e.f. 31.03.2010	NED & ID	1	1	NIL
6	Ms. D. Hemamalini - Director Appointed w.e.f. 31.03.2010	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. S. Pannalal Tatia  
 Age : 60 years  
 Date of Appointment : 09.05.1991  
 Experience in Specific Area : Accounts & Finance  
 Qualification : B.Com , F.C.A  
 List of Outside directorship held : Private - 14 Public -3  
 Chairman and member of : Chairman of the Board  
 Committee of Board of Director : Member of Audit Committee  
 of the Company