



AKASH HOUSING LIMITED

SIXTH ANNUAL REPORT 2001-2002

CERTIFIED TRUE COPY

For AKASH HOUSING LIMITED

Director

REGD. OFFICE:
IV Floor, Vijay Complex,
No. 3, Blackers Road, Anna Salai,
Chennai - 600 002.

AKASH HOUSING LIMITED**AKASH HOUSING LIMITED****ANNUAL REPORT 2001 - 2002****Board of Directors:**

Mr. Suresh Kumar
Chairman

Mr. Chandan Kumar
Director

Mr. Naresh Kumar
Director

Registered Administrative Office:

"Vijay Complex"
No. 3, Blackers Road,
Anna Salai,
Chennai - 600 002.

Bankers
The South India Bank Ltd.,
Mount Road,
Chennai - 600 002.

Auditors

M/s. V. Ramaratnam & Co.,
Chartered Accountants
115, IV Street,
Abirampuram,
Chennai. - 600 018.

**Names & Address of the
Stock Exchange**

1. **Madras Stock Exchange**
(Regional Stock Exchange)
Post Box No. 183,
Second Line Beach
Chennai - 600 001.
2. **Mumbai Stock Exchange**
Phiroze Jeejeebhoy Towers
Dalal Street,
Fort, Mumbai - 400 001.

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AKASH HOUSING LIMITED**NOTICE TO SHAREHOLDERS :**

Notice is hereby given that the Sixth Annual General Meeting of the Company will be held at Padmavathy Hall No.93, Arcot Road, Virugambakkam, Chennai - 600 092 on Thursday the 26th September 2002 at 1.00 p.m to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2002 and Profit and Loss Account for the period from 1.4.2001 to 31.3.2002 and the report of the Auditors thereon and the report of the Board of Directors.
2. To elect Directors :
 - a) To appoint a Director in the place of Mr.Chandan Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION, "RESOLVED THAT M/S.V.RAMARATHNAM & CO., "Chartered Accountants, Chennai, the retiring Statutory Auditors be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of his Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company.

By Order of the Board

Place : Chennai - 2
Date : 30-08-2002

Suresh Kumar
Chairman.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the Proxy need not be a member of the company.

The proxy form duly filled in and signed by the members should be sent to the Registered Office of the company so as to reach the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th September 2002 to 26th September 2002 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the company.
4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Members are, therefore, requested to bring their copies of the "Annual Report" to the Meeting.
5. Member/Proxies are requested to affix their signature on the Attendance/ Admission slip provided in the Annual Report and hand over the same at Venue of the Meeting. Only Member/Proxies (whose Proxy forms have already reached the company) with the Attendance Slip will be admitted.

By Order of the Board

Place : Chennai - 2
Date : 30-08-2002

Suresh Kumar
Chairman.

AKASH HOUSING LIMITED**REPORT OF THE DIRECTORS TO THE MEMBERS :**

Your Directors have great pleasure in presenting their Sixth Annual Report together with the Audited Financial Accounts for the Company for the period from 1st April 2001 to 31st March 2002.

FINANCIAL RESULTS

| | (Rs. In '000s) | |
|--|----------------|------------|
| | year ended | year ended |
| | 31.3.2002 | 31.3.2001 |
| Income (Operations & Other Income) | 27538 | 14646 |
| Gross Profit (Before int. Dep & Tax) | 631 | 89 |
| Interest | 16 | - |
| Depreciation | 563 | 1 |
| Profit before tax | 52 | 88 |
| Provision for tax | 18 | 214 |
| Profit after current tax | 34 | (126) |
| Less: Deferred Tax | 19 | -- |
| Net Profit | 15 | (126) |
| Add profit (Loss) carried forward | (84) | 42 |
| Profit/(Loss) available for Appropriation | (69) | (84) |
| Transfer to General Reserve | Nil | Nil |
| Balance carried forward | (69) | (84) |

DIVIDEND

In view of the accumulated losses it is proposed not to recommend any Dividend for the year ended 31.03.2002.

REVIEW OF OPERATIONS

The construction industry is going through a very difficult period throughout the country. Every effort is being made to optimise the sale.

FUTURE PROSPECTS

The future prospects of the company is viewed with cautious optimism.

FORFEITURE OF EQUITY SHARES

During the year under review the Company had forfeited shares worth Rs.2,00,36,000/-.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March 2002, the applicable accounting standards had been followed alongwith proper explanation relating to material departures:
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the Company for the year under review:

AKASH HOUSING LIMITED

- (iii) that the directors had taken proper and sufficient care 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) that the directors had prepared the accounts for the financial year ended 31st March 2002 on a going concern basis.

AUDIT COMMITTEE

An Audit Committee consisting of the following non-executive directors has been formed during the Board Meeting held on 19th April 2001.

1. Shri.Suresh Kumar 2.Shri.Chandan Kumar 3. Shri.Naresh Kumar.

DIRECTORS

Pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the Company, the Director, Mr.Chandan Kumar retires by rotation and being eligible offers himself for reappointment.

AUDITORS

M/s. V.Ramaratnam & Co., Chartered Accountants, Chennai - 18 appointed as Statutory Auditors at the Fifth Annual General Meeting held on 28th September 2001 retire at the conclusion of Sixth Annual General Meeting and are eligible for re-appointment.

STATUTORY INFORMATION

Prescribed information regarding conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo pertaining to section 217 (1) (e) of the Companies Act, 1956 is not provided as the same is not applicable to your company.

Furnishing of particulars as required under the provision of section 217 (2A) of the Companies Act, 1956 read with companies (particulars of Employees) Rules, 1975 does not arise during the year under Review as none of the employees is drawing a remuneration more than the limit mentioned in the said section.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the timely assistance received from the Bankers and Shareholders.

Your Directors also wish to place on record their appreciation to the excellent contribution made by the employees of the company at all levels during the year under review and expect that they continue to maintain the same dedication, zeal and enthusiasm during the coming years also.

By Order of the Board

Place : Chennai - 2
Date : 30.08.2002.

Suresh Kumar
Chairman.

AKASH HOUSING LIMITED**AUDITOR'S REPORT TO SHAREHOLDERS**

We have audited the attached Balance Sheet of AKASH HOUSING LIMITED, Chennai as at 31* March 2002 and the Profit & Loss account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We report that we conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the over all financial statements. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the manufacturing and other Companies (Auditors report) order 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate, we enclose in the annexure a statement on the matter specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph 1 above.
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) 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 such books.
 - c) The Balance sheet and loss account referred to in this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance sheet & Profit and Loss account comply with the Accounting Standards as referred to in Sec 211 (3C) of the Companies Act, 1956.
 - e) Based on the written representation from Directors and as recorded by the Board of Directors, none of the Directors is disqualified as on 31st March 2002 from being appointed as Director under section 274 (I) (g) of Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view.
 - i) In so far as it relates to Balance Sheet of the state of affairs of the Company as at 31st March 2002.
 - And
 - ii) In so far as it relates to profit and loss account, the Profit of the Company for the year ended on that date.

Place: Chennai
Date: 29-08-2002

for **V.Ramaratnam & Co.,**
Chartered Accountants

R.Sundar
Partner

AKASH HOUSING LIMITED**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE REPORT OF EVEN DATE OF THE AUDITORS TO THE MEMBERS OF AKASH HOUSING LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2002**

- 1) The Company has maintained proper records to show full particulars including quantitative details and situations of its fixed assets. As per the policy of the company, fixed assets are being physically verified by the management and there are no material discrepancies on such verification. In our opinion, the frequency of verifications are reasonable having regard to the size of the company and the nature of its fixed assets.
- 1) None of the fixed assets have been revalued during the year.
- 2) Physical verification of stock, work in progress and construction materials was conducted by the management during the year and in our opinion the frequency of verification was reasonable.
- 3) The procedure for physical verification of stocks followed by the management is in our opinion reasonable and adequate in relation to the size of the company and the nature of its business.
- 4) The discrepancies noticed on such verification were not significant as compared to book records.
- 5) The valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles and is on the same basis as in the previous year.
- 6) The Company has taken loans unsecured from Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The terms and conditions of such loans are not prejudicial to the interest of the Company.
- 7) The Company has granted unsecured loan to Companies listed in the Register maintained u/s 301 of the Companies Act, 1956. According to the information and explanation given to us, the rate of interest and other terms & conditions of the loan are not prima facie prejudicial to the interest of the Company.
- 8) In respect of the loans and advances in the nature of loans given to employees, the parties are repaying the principal and interest whatever stipulated or as rescheduled.