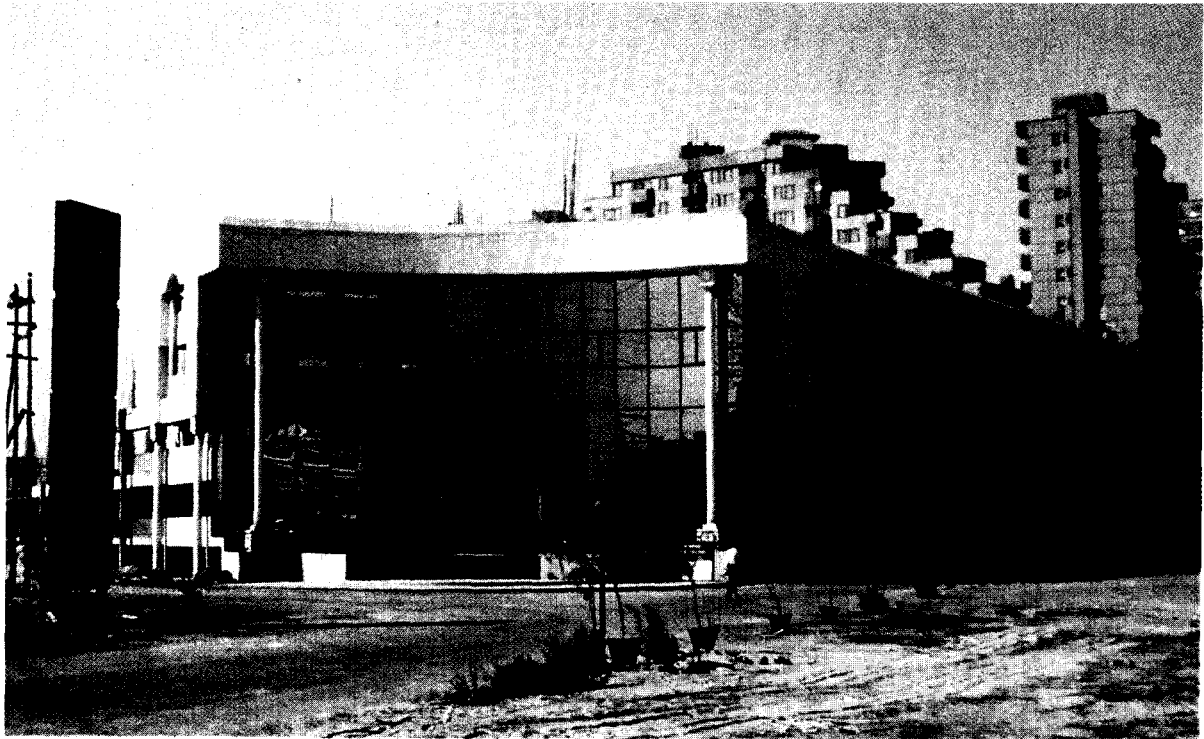


15TH
ANNUAL
REPORT
1998-99

MILLENNIUM BECKONS



ANSAL HOUSING & CONSTRUCTION LTD.



Ansals Trade Square, the world class integrated commercial complex, Vaishali, Ghaziabad.



Golf Links I : Also called the Garden City, in the heart of Greater Noida, the most modern city offering plots and built-up houses.

**BOARD OF DIRECTORS**

Shri Sushil Ansal
Chairman

Shri Deepak Ansal
Managing Director

Shri J.L. Dhar
Wholetime Director

Shri Gopal Ansal
Shri Hari Mitter
Shri Rai Dharambir Thapar
Shri Sham Lal Chopra
Directors

G.M. & COMPANY SECRETARY
AUDITORS

Shri Mohinder Bajaj
M/s.Khanna & Annadhanam
Chartered Accountants
New Delhi .

BANKERS

Canara Bank
The Dhanalakshmi Bank Limited
UCO Bank
UTI Bank Limited
Bank of India

REGISTERED OFFICE

15 UGF, Indra Prakash,
21, Barakhamba Road,
New Delhi - 110 001.

BRANCH OFFICES

'Hill Crest' Ground Floor,
Flat No.2, Plot No.7, N.S. Road No.10,
JVPD Scheme, Mumbai - 400 049.

6, Sapru Marg,
Lucknow - 226 001.

IIIrd Floor, Jubilee Building
45, Museum Road,
Bangalore - 560 001.

Mezzanine Floor, Satyam Bldg.
Raj Nagar District Centre,
Ghaziabad- 201 001.

Lake View Enclave
Shamla Hills, Bhopal - 462 016
122/235, Sarojini Nagar,
Kanpur - 208 012.

Priyadarshini Apartments,
28, Sarojini Naidu Marg,
Civil Lines, Allahabad 210 002.

Suryodaya Vihar,
Shastri Nagar, Meerut - 250 001.

SCO 91, 92 & 93, Sector-5,
City Centre, Panchkula (Haryana)

Anand Dham, Moti Chur,
Haridwar-249 205.

3rd Floor, 1st Mall,
The Mall, Ludhiana (Punjab)

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NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Company will be held on Monday, the 27th September, 1999 at 11.00 A.M. at FICCI Auditorium,, Tansen Marg, New Delhi - 110 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1999 and Profit & Loss Account for the year ended on that date together with the Directors' Report and Statutory Auditors' Report thereon.
2. To appoint a Director in place of Shri Sushil Ansal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Gopal Ansal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, read with Schedule -XIII of the Companies Act, 1956 approval of the Company be and is hereby accorded to the re-appointment of Shri Deepak Ansal as Managing Director of the Company for a period of 5 years commencing from 1st April, 2000 on the remuneration and the terms and conditions as set out below;

1. BASIC SALARY

Basic Salary of Rs.1,00,000/- (Rupees One Lac only) per month in the grade of Rs. 1,00,000-10,000-1,30,000-15,000-1,90,000.

2. COMMISSION ON NET PROFITS

Upto 2% of the net profits of the Company for each Financial Year as computed under provisions of Sections 349 and 350 of the Companies Act, 1956.

3. PERQUISITES

In addition to the above, he shall be entitled to the following perquisites.

CATEGORY 'A'

1. **Housing** : Residential Furnished Accommodation (Company Leased) or in lieu thereof House Rent Allowance at the rate of 60% of the Salary over and above 10% payable by him.
2. **Gas, Electricity, Water and Furnishings** : The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% (ten percent of the salary).
3. **Medical Reimbursement** : Expenses incurred for self and his family members subject to a ceiling of one months' salary in a year or three months' salary over a period of three years.
4. **Leave Travel Concession** : For self and his family members once in a year incurred in accordance with the Rules specified by the Company.
5. **Club Fees** : Fees of clubs subject to a maximum of five clubs.
6. **Personal Accident Insurance** : Premium not to exceed Rs. 10,000/-per annum on any policy, if any, taken by the Company or reimbursement to him in this behalf.

CATEGORY 'B'

The following perquisites shall also be allowed and they will not be included in the computation of the ceiling on perquisites.

1. Company's contribution to Provident Fund @ 12% of the Salary or at such other rate as per the laws applicable in this behalf from time to time.
2. Company's contribution towards Superannuation Fund as per the rules of the Company's Superannuation Scheme as may be applicable from time to time, provided, however that the Company's contribution to the Superannuation Fund together with the contribution to the Provident Fund shall not exceed 27% of the Salary or any other higher amount that may be permissible under the law.
3. Gratuity in accordance with the Rules of the Company as applicable to the Senior Executives of the Company for each completed year of service.
4. Encashment of unavailed leave as per rules of the Company.

CATEGORY 'C'

Provision of Car with driver and telephone at residence (including payment for local calls and long distance official calls).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary and/or revise the remuneration of the said Managing Director within the permissible limits under the provisions of the Companies Act, 1956 or any statutory amendments thereto, from time to time and to settle any question or difficulty in connection therewith or incidental thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director, payment of salary, perquisites and other allowances shall be governed by the limits prescribed under section II of the Part - II of the Schedule - XIII of the Companies Act, 1956, as applicable from time to time.

6. 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 372A and other applicable provisions, if any, and subject to such other approvals and sanctions as may be necessary, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company for investment upto Rs. 5 Crores in the equity shares or otherwise of a hundred percent subsidiary company to be incorporated in Sri Lanka for taking up Real Estate Development Projects in Sri Lanka, by direct subscription, notwithstanding that such investment together with the Company's existing investment made in, loans given to, guarantees given and securities provided to all other bodies corporate shall be in excess of the percentages prescribed under section 372A of the Companies Act, 1956 and that the Board of Directors of the Company be and is hereby authorised to apply to the said company for investment in the said shares or otherwise and to determine, in their absolute discretion and in the best interest of the Company, the terms of the proposed investment and to settle all questions and matters arising out of, and incidental to the proposed investment and in general to take all such steps as may be necessary in this behalf".

7. 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 372A and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals and sanctions as may be necessary, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company for investment by way of equity or otherwise upto Rs. 10 crores in a joint venture company for development of Software Technology Park at Noida by direct subscription, notwithstanding that such investment together with the Company's existing investment made in, loan given to, guarantees given and securities provided to all other bodies corporate shall be in excess of the



percentages prescribed under section 372A of the Companies Act, 1956 and that the Board of Directors of the Company be and is hereby authorised to apply to the said company for investment in the said shares and to determine, in their absolute discretion and in the best interest of the Company, the terms at which the said investment and to settle all questions and matters arising out of, and incidental to the proposed investment and in general to take all such steps as may be necessary in this behalf".

8. 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 372A and other applicable provisions, if any, of the Companies Act, 1956 and such other approvals and sanctions as may be necessary, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company for giving guarantees upto maximum limit of Rs. 20 crores outstanding at any point of time to the Development agencies/Institutions/Banks/Corporate bodies on behalf of the Associate Companies/Business Associates from time to time."

Regd. Office

15 UGF, Indra Prakash
21 Barakhamba Road,
New Delhi - 110 001

Place : New Delhi

Dated : 24.08.99

By Order of the Board

(MOHINDER BAJAJ)

G.M. & Company Secretary

NOTES :

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
Proxies in order to be effective must be received at the Registered Office of the Company not less than fortyeight hours before the Annual General Meeting.
- The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Special Business at item no. 5 to 8 is annexed hereto.
- Register of Members and the share transfer books of the Company shall remain closed from 21st September, 1999 to 27th September, 1999 (both days inclusive).
- Members having multiple accounts in identical names or joint accounts in same order are requested to intimate the Company the ledger folio of such accounts to enable the Company to consolidate all such shareholdings into one account.
- As required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, it is confirmed that unpaid/unclaimed dividend for the financial year ended 31st March, 1995 was transferred to the General Revenue Account of the Central Government within the prescribed time as per details given below.

Dividend for the year ended	No. of Equity Shares	No. of Shareholders	Amount Rs.	Date of Transfer
31.03.95	148735	678	355169.50	05.11.98

Shareholders who have not encashed the dividend warrants for the said period are required to claim the amount from the Registrar of Companies, NCT of Delhi & Haryana, C.G.O. Complex, IInd Floor, Paryavaran Bhawan, New Delhi - 110 003. In case any assistance is required, members may write to the Company.

MEMBERS ARE REQUESTED TO BRING THEIR COPY OF ANNUAL REPORT AT THE MEETING.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 5**

Shri Deepak Ansal was appointed as a Managing Director for a period of 5 years effective 1st April, 1995 and this tenure would end on 31st March, 2000. The Board in its meeting held on 30th July, 1999 reappointed him as a Managing Director of the Company for a further period of 5 years with effect from 1st April, 2000 and approved remuneration in accordance with the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII of the Companies Act, 1956.

Shri Deepak Ansal is a qualified Civil Engineer (B.Sc. Engg, Civil) and is associated with the Company for the last 16 years. He has to his credit vast, rich and varied experience in the field of development and construction of multistoreyed buildings and execution of large value hightech engineering projects on turnkey basis. Under his able guidance and direction, the Company has executed large number of Commercial, Residential and Real Estate Development Projects.

Shri Deepak Ansal and S/Shri Sushil Ansal and Gopal Ansal being related to him, may be deemed to be interested in the Resolution. No other Director is interested in or concerned with the Resolution.

The aforesaid appointment and payment of remuneration of Shri Deepak Ansal, Managing Director may be regarded as abstract of the terms of reappointment and Memorandum of Interest under section 302 of the Companies Act, 1956.

ITEM NO. 6

Your Company propose to undertake Real Estate projects in Sri Lanka. The project, to be executed through a wholly owned subsidiary company of your Company, envisages development of 866 acres of land for Residential and Commercial use. An investment upto Rs. 5 Crores is planned to be made in the equity/loan of the new company. The project has the approval of Board of Investment of Sri Lanka - a body duly constituted by the Govt. of Sri Lanka for the purpose of approving foreign investments in Sri Lanka. The project promises good returns for the Company for the next 7-8 years during its implementation. The source of investment would be by way of internal accruals/loans.

The Resolution set-out in the notice at item no. 6 is recommended to the members for their approval by means of Special Resolution.

None of the Directors of the Company are interested or concerned in the Resolution.

ITEM NO. 7

The Company plans to go in for an industrial project covering software technology park etc. and for that purpose investment by way of equity or otherwise in a joint venture company upto Rs. 10 Crores will be required. As the aforesaid investment would be beyond the limits set out under the powers of the Board under section 372A of the Companies Act, 1956 the approval of the shareholders is accordingly sought.

The project to be executed through a Joint Venture company with New Okhla Industrial Development Authority (NOIDA) is expected to give good returns in the years ahead. The investment would be funded through internal accruals/loans.

The Resolution set-out in the notice at item no. 7 is recommended to the members for their approval by means of Special Resolution.

None of the Directors of the Company are interested or concerned in the Resolution.

ITEM NO. 8

The Company has been developing Real Estate Projects in collaboration with its Associate Companies/ other parties.

For the aforesaid purpose, the Company has to give guarantee(s) to the Development Authorities/Institutions/Banks on behalf of the Associate Companies from time to time. The Guarantee(s) so given may exceed at any time the overall limit of investment etc. of the Board. Accordingly approval of the shareholders is sought for authorising the Board to provide said guarantee(s)/securities etc. upto a limit of Rs. 20 Crores. The Resolution set-out in the notice at item no. 8 is recommended to the members for their approval by means of Special Resolution.

None of the Directors of the Company are interested or concerned in the Resolution.

Regd. Office

15 UGF, Indra Prakash
21 Barakhamba Road,
New Delhi - 110 001

By Order of the Board

Place : New Delhi
Dated : 24.08.99

(MOHINDER BAJAJ)
G.M. & Company Secretary

**SHAREHOLDER INFORMATION UNDER AMENDED
CLAUSE 32 OF THE LISTING AGREEMENT**

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

The Company's equity shares are listed at the following 3 Stock Exchanges in India:

1. The Delhi Stock Exchange Association Ltd.,
West Plaza,
Indira Gandhi Stadium,
Indraprastha Estate,
New Delhi - 110 002
2. The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 051
3. The Uttar Pradesh Stock Exchange Association Ltd.
Padam Towers,
14/113, Civil Lines,
Kanpur - 208 001

NOTE : The Company has paid annual listing fees to each of the above Stock Exchanges for the Financial Year 1998-99.