



Dynamic Diversifications

 **ANSAL HOUSING & CONSTRUCTION LTD.**

BOARD OF DIRECTORS

Shri Deepak Ansal
Chairman & Managing Director

Shri Gopal Ansal
Shri Sham Lal Chopra
Shri Ashok Khanna
Shri Pradeep Anand
Shri P.N. Mishra
Shri S.L. Kapur
Shri Kulbhushan Kachru
Directors

ADDL. V.P. & COMPANY SECRETARY

Shri Mohinder Bajaj

AUDITORS

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.

A-1/12, Vishwas Khand, Gomti Nagar,
Lucknow - 226 001.

A-20, Satyam Building,
Raj Nagar District Centre,
Ghaziabad - 201 001.

L-303, 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-134 109.

Anand Dham, Moti Chur,
Haridwar-249 205.

1st Floor, 1st Mall,
Mall Road, Ludhiana (Punjab)

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of the Company will be held on Tuesday, the 25th September, 2001 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, 2001 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 Gopal Ansal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Ashok Khanna, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Pradeep Anand, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT the Company hereby grants its approval and consent under section 314(1B) of the Companies Act, 1956 and other applicable provisions, if any, and subject to the approval of Central Government to the appointment of Mr. Kushagr Ansal son of Shri Deepak Ansal who is Chairman & Managing Director of the Company as Vice President (Business Development) with effect from 15th June, 2001 in the management cadre of the Company on a basic salary of Rs. 50,000/- per month in the scale of (Rs. 40000-5000X4-60000-7500X2-75000-10000X2-95000) and House Rent Allowance of Rs. 15,000/- per month together with the usual allowances and benefits as applicable to employees occupying the similar position in the said management cadre including, gratuity, provident fund, LTC and other benefits as per Company's Rules.

FURTHER RESOLVED THAT the Directors be and are hereby authorised to give from time to time such increments to Mr. Kushagr Ansal as they may deem fit within the aforesaid grade".

Regd. Office :

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

Place : New Delhi

Dated: 24th August, 2001

By Order of the Board

(MOHINDER BAJAJ)

ADDL. V.P. & COMPANY SECRETARY

NOTES :

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies in order to be effective must be received at the Registered Office of the Company not less than forty eight hours before the Annual General Meeting.

- b) The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Special Business at item no. 6 is annexed hereto.



- c) Register of Members and the share transfer books of the Company shall remain closed from 18th September, 2001 to 25th September, 2001 (both days inclusive).
- d) 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.
- e) Pursuant to the directions of the Securities Exchange Board of India (SEBI), trading in the shares of your company is in compulsory de-materialised form for all investors. Members who have not yet got their shares de-materialised, are requested to opt for the same in their own interest and send their certificates through Depository Participant(s) with whom they have de-materialised account, to the Company's Registered Office.
- f) Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
- g) Members/Proxies should fill in the Attendance Slip for attending the meeting.
- h) Members desiring any information/clarification on the Annual Accounts are requested to write to the Company at its Registered Office atleast 7 days before the date of Annual General Meeting so that the same may be compiled well in advance.

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. 6

Mr. Kushagr Ansal son of Shri Deepak Ansal, Chairman & Managing Director of the Company was appointed by the Board of Directors as Executive (Business Development) with effect from 1st April, 1999 on a basic salary of 7,500/- (Rupees Seven Thousand Five Hundred only) per month plus other perks and benefits like LTC, Medical Expenses etc. in their meeting held on 28th April, 1999 under the provisions of section 314 (1) of the Companies Act, 1956. He was sponsored by the Company for higher studies viz. MBA (Finance) at Bentley College, Waltham, USA in August, 1999.

After completion of his studies Mr. Kushagr Ansal has joined the Company on 15th June, 2001. The Board of Directors have appointed him Vice President (Business Development) on the terms and conditions as stated in the aforesaid Resolution with effect from 15th June, 2001 subject to approval of the shareholders in the Annual General Meeting of the Company to be held on 25th September, 2001 and of the Central Govt. As per terms and conditions of his sponsorship for studies abroad Shri Kushagr Ansal has to serve the Company for a minimum period of 7 years after completion of his studies.

Mr. Kushagr Ansal has attained state of the art expertise in Systems Management in addition to exceptional skills in Finance etc. He has already initiated lot many innovative concepts and improvement in the Systems of the company leading to substantial upgradation in the working environment of the company.

It is expected that the company would benefit immensely with his induction as Vice President (Business Development).

The Board recommends the passing of the resolution set out in item no. 6 as a Special Resolution.

None of the Directors of the company except Shri Gopal Ansal and Shri Deepak Ansal are concerned or interested in the said Resolution.

Regd. Office :

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

Place : New Delhi

Dated: 24th August, 2001

By Order of the Board

(MOHINDER BAJAJ)

ADDL. V.P. & COMPANY SECRETARY

DIRECTORS' REPORT

Dear Shareholder,

Your Directors have pleasure in presenting the Seventeenth Annual Report together with the Audited Statements of Accounts for the Financial year ended 31st March, 2001 and Statutory Auditors' Report thereon.

FINANCIAL RESULTS

The Working Results of the Company are briefly given below:

	Current Year (Rs.in Lacs)	Previous Year (Rs.in Lacs)
Sales & Other Income	7710.29	7626.88
Gross Profit (Before Interest and Depreciation)	1509.86	1514.62
Less :		
— Interest & Finance Charges	957.27	841.63
— Depreciation	92.66	98.72
— Expenses pertaining to Earlier Years.	—	27.07
Add :		
— Surplus Profit Brought forward from Previous Year.	665.04	377.84
	1124.97	925.04
Less: Provision for Tax	139.00	210.00
Profits available for appropriation	985.97	715.04
Appropriations:		
— Transfer to Debenture Redemption Reserve	25.00	50.00
— Transfer to General Reserve	—	—
	25.00	50.00
Surplus Profit Carried to Balance Sheet.	960.97	665.04

DIVIDEND

Keeping in view the need to conserve the Company's resources and to meet the Company's requirement of funds for the various projects in hand, your Directors are constrained not to recommend any Dividend for the year under report.

OPERATING PERFORMANCE

In spite of difficult conditions prevailing in the Real Estate Promotion and Development Market your company has been able to maintain Sales and Other Income almost at the level of the previous year. The sales and other income during the year under review is Rs. 7710.29 lacs as against Rs. 7626.88 in the previous year. The profit after tax stands at Rs. 320.91 lacs as compared to Rs. 364.27 lacs. Out of the disposable surplus of Rs. 985.97 lacs a sum of Rs. 25 lacs has been transferred to Debenture Redemption Reserve and the balance has been carried to Balance Sheet.

During the year under review, the Company has offered possession to plot holders in Golf Links and Golf Link-II projects in Greater Noida. Some of the allottees have already commenced construction on their respective plots. The Company has also given the possession to allottees of houses in Golf Link Projects. The possession to allottees of plots/houses in several other Residential Projects including Avantika, Neelpadm Kunj, Neelpadm - I, Chiranjiv Vihar in Ghaziabad was also given during the year under report.

The Company also gave possession to allottees in the Commercial Buildings including Vikas Deep, Laxmi Deep and Pragati Deep. The occupancy in these buildings have been steadily rising.

The Company is endeavouring to handover the possession to allottees in Fortune Arcade (Noida), Classique Tower in Rajouri Garden, Imperial Tower in Naryana and Majestic Tower in Vikaspuri in the near future. The Company has during the year launched a new project called Panchvati Enclave (Meerut) in Joint Venture with Meerut Development Authority. The initial response has been encouraging. The work at East End (Tronica City) Residential Project has been progressing satisfactorily.

The work on residential project 'Perth Paradise' being undertaken by our subsidiary company M/s Housing & Construction Lanka Pvt. Ltd. in Sri Lanka has also continued satisfactorily. The Company is closely assessing the market and shall launch the project at an opportune time.

MARKET SCENARIO

The overall market scenario in Real Estate Industry in the preceding year as well as in the current year remains competitive. The Company has been making the requisite efforts to keep intact its market share. Your Company is bracing itself to meet new challenges in the wake of slow-down in various sectors of economy including Real Estate.

FUTURE PROSPECTS

IT PARK

Your Directors had reported in their last report regarding allotment of 100 acres of land for development of a hi-technology software park at Noida in Joint Venture with New Okhla Industrial Development Authority (NOIDA). The Company has continued with its further studies, but in view of slow-down in IT sector, the Company has decided to execute the project in phases commensurate with the market demand. JTCI of Singapore shall be the technology provider of this proposed project. A Joint Venture Company by the name of Noida Ansal Infotech Park Ltd. has already been formed. The various agreements with joint-venture partner NOIDA are being finalised.

GOLF RESIDENCY PROJECT, GURGAON

The residential project at Gurgaon involves construction of about 2 million Sq. Ft. of area having turnover value of approximately Rs. 300 crores and is likely to be launched for sale sometime by end of September, 2001. The plans for the project have been sanctioned and the preliminary work of development at site has started. We expect to get turnover of approximately Rs. 45 crores in this project during the 1st six months of its launch.

CALL CENTRE

The project owned by a separate company Callnet India Ltd. as reported in the Directors' Report last year is likely to become operational by September end as all the equipments required have been procured and installed. The only item pending for implementation is the availability of the connectivity from India to US and back. The contract for obtaining this connectivity has also been finalised and the same shall be available by middle of September, 2001. The project has already got a few prospective clients to extend business to it once it is operational. The project should be able to generate revenues of about Rs. 5 crores in the first 6 months of its operations.

HOSPITALITY BUSINESS

There has been good progress in setting up chain of upmarket restaurants with operation and management services provided by RHW Hotel Management Services Ltd. (Raddison International Group). The First Restaurant of this proposed chain has been set-up at your Company's Fortune Arcade Project at Sector - 18 in NOIDA over a space admeasuring approximately 5000 Sq. Ft. owned by the Company. This is likely to be made operational by September, 2001.

STATUTORY STATEMENT

Statement showing particulars of employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read together with the Companies (Particulars of Employees) Rules, 1975 is annexed herewith and forms part of the Report. As regards disclosure under section 217(1)(c) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, it has been advised that the particulars relating to "Conservation of Energy" are not applicable to the Company and hence no disclosure is required to be made in this behalf.

The Company has not undertaken any Research & Development Activity and Development of Technology in the area of Construction. Disclosure of information relating to foreign exchange earnings and outgoing as required under Rule 2 (c) is already given in Schedule No. 13 on "Notes on Accounts" forming part of the Audited Annual Accounts.

SUBSIDIARY COMPANY

The statement as required under section 212 of the Companies Act, 1956 in respect of Housing & Construction Lanka Pvt. Ltd., which is subsidiary of your Company, is attached alongwith its audited Balance Sheet as at 31st March, 2001.

FIXED DEPOSITS

Fixed Deposits from the Public, Shareholders and Employees as on 31st March, 2001 stood at Rs. 930.05 lacs as

against Rs. 822.83 lacs in the previous year. There were unclaimed Deposits amounting to Rs. 18.32 lacs pertaining to 119 depositors as on that date and out of above 97 depositors having deposits aggregating to Rs. 14.10 lacs have subsequently claimed refund or renewed their deposits. However, the balance amount of Rs. 4.22 lacs still remains unclaimed. The Credit Rating of MA- (pronounced as MA minus) indicating Adequate Safety assigned by ICRA on 26th June, 2000 continues to remain in force.

DIRECTORS

After almost two decades of illustrious leadership, Shri Sushil Ansal resigned as Chairman of the Board and of the Company with effect from 21st August, 2001. With a deep sense of gratitude and respect, the board acknowledges his accomplishments and contributions that have resulted in multi-directional growth for Ansal Housing & Construction Ltd. The Board has appointed Shri Deepak Ansal as the new Chairman of the Board and of the Company in their meeting held on 24th August, 2001.

S/Shri. Jayesh A. Parekh and Hari Mitter, Directors on the Board of the Company resigned as Director in November, 2000 and July, 2001 respectively. The Board of Directors places on record its deep appreciation of the valuable services rendered by Shri Jayesh A. Parekh and Shri Hari Mitter during their tenure as Directors of the Company. In accordance with the provisions of section 255 of the Companies Act, 1956 and Article 104 of the Company's Articles of Association Sarvshri Gopal Ansal, Ashok Khanna and Pradeep Anand, Directors of the Company retire by rotation and being eligible offer themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm the following in respect of the Audited Annual Accounts for the Financial Year ended 31st March, 2001:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the Financial Year ended 31st March, 2001 and the profit of the Company for that period;
- iii) that the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the directors had prepared the annual accounts on a going concern basis.

NOTE ON CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement, the Corporate Governance Code is applicable to your Company w.e.f 1st April, 2002. Steps have already been initiated to implement the provisions of Corporate Governance.

AUDIT COMMITTEE OF THE BOARD

The Audit Committee of the Board consists of three members, all of them being non-executive Directors. It acts as an interface between the Management and the Statutory Auditors & Internal Auditors. It reviews the audit reports, compliance and annual/quarterly accounts/results in consultations with the Auditors of the Company.

DEMATERIALISATION OF SHARES

Pursuant to the directions of the Securities and Exchange Board of India (SEBI) effective from 30th October, 2000 trading in the Company's scripts in dematerialization form has been made compulsory for all investors. Dematerialised form of trading would facilitate quick transfers and save stamp duty on transfer of shares. However, members are free to keep the shares in physical form or to hold the shares with a "DEPOSITORY PARTICIPANT" in demat form. For this purpose the Company has appointed M/s In-house Share Registry as Registrar of the Company. The specific ISIN No. allotted to the Company by NSDL and CDSL is INE880B01015.

AUDITORS

M/s Khanna & Annadhanam, Chartered Accountants, who retire at the conclusion of this 17th Annual General Meeting and being eligible for reappointment, have expressed their willingness to be re-appointed as Statutory Auditors of the Company. They have given certificate to the effect that the appointment, if made, would be within the limit prescribed under section 224 (1B) of the Companies Act, 1956. Your directors recommend their appointment for another one year.

LISTING WITH STOCK EXCHANGES

As per requirement of clause 49 of the Listing Agreement with Stock Exchanges, the Company hereby declares that the listing for the shares continued through out the year with the following Stock Exchanges and the listing fee due till date stands paid:

1. The Delhi Stock Exchange Association Ltd.
3/1, Asaf Ali Road, New Delhi – 110 002
2. The Stock Exchange,
Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001
3. The U.P. Stock Exchange Association Ltd.
Padam Tower, 14/113, Civil Lines, Kanpur – 208 001

APPRECIATION

Directors wish to place on record their thanks and gratitude to;

- i) The Central and State Government as well as their respective Departments and Development Authorities connected with the business of the Company, Bankers to the Company, Housing Finance as well as other Institutions for their co-operation and continued support.
- ii) The Shareholders, Depositors, Suppliers and Contractors for the trust and confidence reposed and to the Customers for their valued patronage.

The Board also takes this opportunity to express its sincere appreciation for the efforts put in by the officers and employees at all levels in achieving the results and hopes that they would continue their sincere and dedicated endeavour towards attainment of better working results during the current year.

Regd. Office :

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

For and on behalf of the Board

Place : New Delhi

Dated: 24th August, 2001

(DEEPAK ANSAL)
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217 (2A) read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the period ended 31st March, 2001.

Name of the Employee	Designation	Gross Remuneration (Rs.)	Qualification	Experience (Years)	Date of Commencement of Employment	Age (Yrs.)	Last Employment & Position held
EMPLOYED FOR THE WHOLE YEAR							
Ansal Deepak	Chairman & Managing Director	31,55,989	B.Sc. Engg. (Civil)	25	01.04.1990	48	Wholetime Director Ansal Properties & Industries Ltd.
Dhar J.L.	President cum CEO	14,65,109	B.E. (Hons.) AMICE	39	01.09.1986	63	Executive Director Ansal Properties & Industries Ltd.

Notes :

1. Gross remuneration includes Basic Salary, Commission, House Rent, Employer's Contribution to Provident Fund, Superannuation Fund and Perquisites.
2. Shri Deepak Ansal is a relative of Shri Gopal Ansal, who is a Director of the Company.
3. The employment of Shri Deepak Ansal is contractual.
4. Other terms and conditions of employment are as per Service Rules of the Company.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

1. Name of subsidiary Company	Housing & Consruction Lanka Pvt. Ltd.
2. No. of Shares held in the Subsidiary Company of SL Rs. 10/- each	10,68,100
3. Percentage of holding in the Subsidiary Company	100%
4. Financial Year of the subsidiary ended on	31st March, 2001.
5. Net aggregate amount of Profit/Loss of the Subsidiary so far as these concern members of the Company.	
a) Dealt with in the accounts of the Company for the period ended 31st March, 2001	
(i) For the Financial Year of the subsidiary	NIL
(ii) For the previous financial years of subsidiary since this became subsidiary of Ansal Housing & Construction Ltd.	N.A.
b) Not dealt with in the accounts of the Company for the period ended 31st March, 2001	
(i) For the financial year of the subsidiary	Nil
(ii) For the previous financial years of the subsidiary since this became subsidiary of Ansal Housing & Construction Ltd.	N.A.

For and behalf of the Board of Directors

Place : New Delhi
Dated : 24th August, 2001

DEEPAK ANSAL
CHAIRMAN & MANAGING DIRECTOR