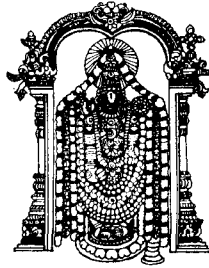


EIGHTH ANNUAL REPORT

2002-2003



NARENDRA PROPERTIES LIMITED

2A, 3rd Floor, Wellington Estate

24, Commander-in-Chief Road, Chennai - 600 105.

NPL AGASTYA



605 & 606, Thiruvotiyur High Road, Tondiarpet, Chennai - 600 081.

NPL MANGALRAM



Barnaby Road, Kilpauk, Chennai - 600 010.

NARENDRA PROPERTIES LIMITED



BOARD OF DIRECTORS :

SRI S. RAMALINGAM
Chairman

SRI NARENDRA C. MAHER
Managing Director

SRI MAHENDRA K. MAHER

SRI JOHN K. JOHN

SRI R. SUBRAHMANIAN

SRI CHIRAG N. MAHER
Director - Operations

AUDITORS :

SANJAY BHANDARI & CO.
Chartered Accountants
824, Poonamallee High Road
Chennai - 600 010.

BANKERS :

UNION BANK OF INDIA
Broadway, Chennai - 600 108.

TAMILNAD MERCANTILE BANK LTD.
Chennai - 600 001.

BANK OF BARODA
Egmore, Chennai - 600 008.

REGISTERED OFFICE :

2A, 3rd Floor, Wellington Estate
24, Commander-in-Chief Road
Chennai - 600 105.

(Members are requested to bring their copies of the Annual Report to the meeting)
(No gifts or compliments will be given to the members attending the meeting)



NARENDRA PROPERTIES LIMITED

NOTICE

To,
The Shareholders,

NOTICE is hereby given that the Eighth Annual General Meeting of the Company will be held at No.264, MTH Road, Chennai - 600 049 at 9.30 AM on Monday, the 29th September 2003 to transact the following business.

ORDINARY BUSINESS

01. To receive, consider and adopt the Balance Sheet as on 31st March 2003 and the Profit and Loss Account for the year ended 31st March 2003 along with the Directors' and Auditor's report thereon.
02. To appoint a Director in the place of the Director, Mr Mahendra K Maher, who retires by rotation and being eligible, is offering himself for reappointment.
03. To appoint a Director in the place of the Director, Mr John K John, who retires by rotation and being eligible, is offering himself for reappointment.
04. To appoint an Auditor in the place of the retiring Auditors, M/s Sanjay Bhandari & Co., Chartered Accountants, Chennai, who being eligible, are offering themselves for reappointment and to fix their remuneration.

SPECIAL BUSINESS

05. To consider and, if thought fit, to pass, with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the requirements of Section 314(1) of the Companies Act, 1956, the remuneration paid to Mr Chirag N Maher amounting to Rs 1,74,000 (Rupees one lakh and seventy four thousand only) for the year ended 31st March 2003 and amounting to Rs 1,00,000 (Rupees one lakh only) for the period from 1st April 2003 to 31st July 2003 for the services rendered by him in his capacity as Executive - Operations of the Company be and is hereby ratified and approved."

06. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to Sections 269, 198, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956, Mr Chirag N Maher be and is hereby appointed as DIRECTOR - OPERATIONS of the Company on a whole time basis for a period of five years with effect from 1st August 2003.

"RESOLVED FURTHER THAT Mr Chirag N Maher, Director - Operations, will be paid a remuneration of Rs.25,000 (Rupees twenty five thousand only) with yearly increments as may be sanctioned by the Board in the scale of Rs 25000 - 2000 - 35000 comprising of salary, allowances and perquisites as may be determined and approved by the Board within the above mentioned limit and within the limits specified under Schedule XIII to the Companies Act, 1956.

NARENDRA PROPERTIES LIMITED



"RESOLVED FURTHER THAT if in any financial year during the currency of the tenure of Mr Chirag N Maher as the Director - Operations of the Company, the Company has not made any profits or its profits are inadequate, the Company shall pay to him the remuneration comprising of salary allowances and perquisites as detailed above, subject however to the overall limit laid down under Section II of Part II of Schedule XIII to the Companies Act, 1956."

07. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT Mr R Subrahmanian be and is hereby appointed as a Director on the Board of the Company, under Section 255 of the Companies Act, 1956, liable for retirement by rotation."

08. To consider and if thought fit, to pass, with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT approval be and is hereby accorded in terms of Guideline 6.1.(a) read along with Guideline 5.2. of the SEBI (Delisting of Securities) Guidelines, 2003, for voluntarily delisting the equity shares of the Company from Madras Stock Exchange Limited."

By order of the Board
for NARENDRA PROPERTIES LIMITED

Place : Chennai
Dated : 30.07.2003

NARENDRA C. MAHER
Managing Director

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and such a proxy need not be a member of the Company.
2. The instrument appointing a proxy duly stamped and executed for use at the meeting must be lodged at the registered office of the Company not less than 48 hours before the time fixed for the meeting.
3. An Explanatory Statement that is required to be annexed pursuant to the requirements of Section 173(2) of the Companies Act, 1956, in respect of the special business proposed in the Notice is enclosed.
4. Members seeking any information with regard to accounts are requested to write to the Company at least 7 days in advance of the meeting so as to enable the management to keep the information ready.
5. Members are requested to notify any change in the address to the Company.
6. Members are requested to bring their copies of the Annual Report with them to the meeting.
7. The register of members and share transfer books shall remain closed from 23rd September 2003 to 29th September 2003 (both days inclusive).

**NARENDRA PROPERTIES LIMITED**

***EXPLANATORY STATEMENT ANNEXED, PURSUANT TO
THE REQUIREMENTS OF SECTION 173(2) OF THE COMPANIES ACT, 1956,
TO THE NOTICE CONVENING THE ANNUAL GENERAL MEETING***

ITEM 5

Mr Chirag N Maher has been appointed as Executive - Operations taking care of the several construction projects promoted by the Company. He is associated with the Company right from the inception and he has around 10 years of experience in the field of construction of multi storeyed apartments and buildings.

Mr Chirag N Maher was paid a remuneration of Rs.1,74,000 (Rupees one lakh seventy four thousand only) during the year ended 31st March 2003 and Rs.1,00,000 (Rupees one lakh only) for the period from 1.4.2003 to 31.7.2003. As Mr Chirag N Maher is related to the Managing Director, Mr Narendra C Maher, the remuneration paid to him will have to be approved by the shareholders under Section 314(1) of the Companies Act, 1956, read along with Director's Relatives (Office or Place of Profit) Rules, 2003.

The Board commends the resolution for acceptance. None of the Directors other than the Managing Director, Mr Narendra C Maher, is deemed to be concerned or interested in the resolution.

ITEM 6

The Board of Directors had, at their meeting held on 30th July 2003, appointed Mr Chirag N Maher as Director - Operations on a wholetime basis for a period of five years from 1st August 2003 at a remuneration as specified in the resolution.

Mr Chirag N Maher is a B.Com graduate, aged about 30 years. He is associated with the Company right from the inception and he has around 10 years of experience in the field of construction of multi storeyed apartments and buildings. In view of the the increasing activities in the Company, the Board considered it necessary to appoint a Wholetime Director to take care of the operations and marketing activities of the Company.

Appointment of Mr Chirag N Maher as a Director - Operations on a wholetime basis and the remuneration payable to him require the approval of the shareholders under Section 269 of the Companies Act, 1956.

The Board commends the resolution for acceptance. None of the Directors other than Mr Chirag N Maher and Mr Narendra C Maher is deemed to be interested in the resolution.

ITEM 7

The Board of Directors had, at their meeting held on 30th July 2003, appointed Mr R Subrahmanian as an Additional Director under Section 260 of the Companies Act, 1956. He will be holding office only upto the ensuing Annual General Meeting. The Company has received a notice from a shareholder under Section 257 of the Companies Act, 1956, along with the requisite deposit proposing the appointment of Mr R Subrahmanian as a Director on the Board of the Company under Section 255 of the Companies Act, 1956, liable for retirement by rotation.

NARENDRA PROPERTIES LIMITED

Mr R Subrahmanian is aged around 70 years. He has served Bank of Baroda for over thirty eight years in various capacities in the senior management cadre. He was with the Company as Director - Finance upto 15th March 2002. He was co-opted as an Independent Director on the Board in order to broadbase the Board for the purpose of fulfilling the requirements of Corporate Governance Code.

The Board commends the resolution for acceptance. None of the Directors other than Mr R Subrahmanian is deemed to be interested in the resolution.

ITEM 8

The Company's equity shares are listed for dealings at the Madras Stock Exchange Limited and The Stock Exchange, Mumbai, from the year 1996 onwards.

The equity shares of the Company are not frequently traded in the Madras Stock Exchange Limited. In order to take advantage of the opportunity for cost reduction provided by SEBI (Delisting of Securities) Guidelines, 2003, it is proposed to delist the equity shares of the Company from the Madras Stock Exchange Limited. The equity shares of the Company will continue to be listed with The Stock Exchange, Mumbai, which has nationwide trading terminals.

According to Guideline 5 of the SEBI (Delisting of Securities) Guidelines, 2003, a company may voluntarily delist its securities from a stock exchange by passing a special resolution to this effect and an exit opportunity need not be given in cases where securities continue to be listed in stock exchange having nationwide trading terminals. Besides, as per Guideline 11.2. there shall not be any compulsion for the company to remain listed on any stock exchange merely because it is a regional stock exchange.

The Board commends the resolution for acceptance. None of the Directors is deemed to be concerned or interested in the resolution.

By order of the Board
for NARENDRA PROPERTIES LIMITED

Place : Chennai
Dated : 30.07.2003

NARENDRA C. MAHER
Managing Director

**NARENDRA PROPERTIES LIMITED*****DIRECTORS' REPORT***

Dear Shareholder,

Your Directors have pleasure in submitting the Eighth Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2003.

FINANCIAL RESULTS

The Audited Results for the year ended 31st March 2003 are given below.

	Year ended 31.3.2003 (Rs.)	Year ended 31.3.2002 (Rs.)
1. Contract receipts	25,28,661	7,87,32,114
Sales	4,47,53,000	22,94,318
2.1. Income from operations	6,33,477	4,75,182
2.2. Rental income	19,77,885	5,86,379
Total	4,98,93,023	8,20,87,993
3. Total expenditure	4,61,74,794	7,99,99,123
4. Interest & finance expenses	14,27,862	16,45,007
5. Depreciation	1,03,588	1,00,380
6. Preliminary & share issue expenses written off	1,79,591	1,79,591
7. Profit before tax	20,07,188	1,63,892
8. Provision for tax (Nett)	7,43,384	58,500
9. Net profit (+) / loss (-)	12,63,804	1,05,392

DIVIDEND

Due to inadequacy of profits, your Directors feel constrained to refrain from recommending payment of any dividend for the year under report.

MANAGEMENT DISCUSSION AND ANALYSIS**A. Industry Structure and Developments**

Your Company is in the business of construction of buildings for residential and commercial purposes. The industry was facing recession for the past few years. However, it has now shown signs of bottoming out, especially in the residential sector due to housing loans available at concessional terms. The commercial sector suffers from surplus availability of built space lying unsold and demand for commercial spaces is not showing any signs of picking up.

NARENDRA PROPERTIES LIMITED**B. Performance**

Your Company reported a total income of Rs.498.93 lakhs during the year ended 31st March 2003 as against Rs.820.88 lakhs during the previous year. The profit after tax was Rs.12.64 lakhs for the year ended 31.3.2003 as against Rs.1.05 lakhs achieved during the previous year.

C. Segmentwise Performance

Your Company has executed construction projects mainly in Chennai. The various projects which the Company has executed and which is still in progress is given herein below:

- i. Your Company has sold the other remaining flats at 'Pushpanjali' project at Villivakkam during the year.
- ii. The construction at 'Anjli' project at Villivakkam is progressing as per schedule.
- iii. The construction at 'NPL Mangalram' project at Barnaby Road is at an advanced stage of completion and is expected to be completed on schedule.
- iv. The construction at 'NPL Agasthya' at the Thiruvottiyur High Road is completed and delivery of flats to various purchasers is being effected.
- v. Your Company has completely sold out the commercial property 'Paras Towers' during the year.

D. Concerns

The demand in the residential segment of the construction industry is growing steadily. However, there is a supply overhang in the commercial segment.

E. Outlook

The easy availability of the long term finance for housing continues to be encouraging and this has kept the demand for housing growing steadily. Besides, the fiscal concessions available to the individuals has also increased the demand. The outlook for the residential segment of the construction industry continues to be positive. Your Company will be focusing more on this segment in the years to come. Your Company will not be launching any commercial projects until the supply overhang in the Chennai market corrects itself.

F. Internal Control Systems

Your Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition.

G. Human Resources and Industrial Relations

Your Company has well qualified and experienced technical, financial and administrative staff to cater to its business requirements. The relations with the employees of the Company remained cordial throughout the year.