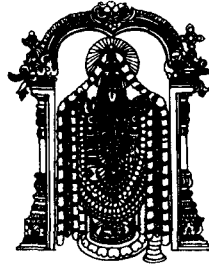


NINTH ANNUAL REPORT

2003-2004



NARENDRA PROPERTIES LIMITED

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

NPL ANJLI



264, M.T.H. Road, Chennai - 600 049.

NPL AGASTYA



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

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 Ninth Annual General Meeting of the Company will be held at No.264, MTH Road, Chennai - 600 049 at 9.05 AM on Monday, the 27th September 2004 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as on 31st March 2004 and the Profit and Loss Account for the year ended 31st March 2004 along with the Directors' and Auditors' reports thereon.
2. To appoint a Director in the place of the Director, Mr. S. Ramalingam who retires by rotation and being eligible, is offering himself for reappointment.
3. 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.
4. 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.

By order of the Board
for NARENDRA PROPERTIES LIMITED

Place : Chennai
Dated : 29.06.2004

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 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. 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.
4. Members are requested to notify any change in the address to the Company.
5. Members are requested to bring their copies of the Annual Report with them to the meeting.
6. The register of members and share transfer books shall remain closed from 21st September 2004 to 27th September 2004 (both days inclusive).

NARENDRA PROPERTIES LIMITED

***DIRECTORS' REPORT***

Dear Shareholder,

Your Directors have pleasure in submitting the Ninth Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2004.

FINANCIAL RESULTS

The Audited Results for the year ended 31st March 2004 are given below.

	Year ended 31.3.2004 (Rs.)	Year ended 31.3.2003 (Rs.)
1. Contract receipts	1,48,284	25,28,661
2. Sales	11,13,42,670	4,47,53,000
3.1. Income from operations	6,72,706	6,33,477
3.2. Rental income	2,100	19,77,885
Total	11,21,65,760	4,98,93,023
4. (Increase)/Decrease in stock	(6,20,25,666)	4,09,98,571
5. Total expenditure	14,91,05,533	51,76,223
6. Interest & finance expenses	9,78,783	14,27,862
7. Depreciation	1,07,159	1,03,588
8. Preliminary & share issue expenses w.off	1,79,591	1,79,591
9. Profit before tax	2,38,20,360	20,07,188
10. Provision for tax - Current	(16,50,000)	(5,85,000)
- Deferred	57,578	58,800
11. Net profit(+)/loss(-)	2,22,27,938	14,80,988

DIVIDEND

In order to conserve the resources of the Company for meeting the capital requirements for further projects, your Board of Directors do not recommend payment of any dividend for the year ended 31st March 2004.

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

Your Company is in the business of construction of buildings for residential and commercial purposes. Your



NARENDRA PROPERTIES LIMITED

Company undertakes construction projects mainly in Chennai city. The prospects for residential flats has improved considerably in Chennai city.

B. Performance

Your Company reported a total income of Rs.1121.66 lakhs during the year ended 31st March 2004 as against Rs.498.93 lakhs during the previous year. The profit after tax was Rs.222.28 lakhs for the year ended 31.3.2004 as against Rs.14.81 lakhs achieved during the previous year.

C. Segment-wise Performance

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

- i. The construction at 'Anjli' project at Villivakkam is progressing as per schedule.
- ii. The construction at 'NPL Mangalram' project at Barnaby Road has also been completed during the year.
- iii. The construction at 'NPL Agasthya' at Thiruvottiyur High Road is also in progress as per schedule.

D. Concerns

The prices of land have increased considerably affecting the viability of the projects. Your Company is exercising extreme caution in committing its resources in purchasing land.

E. Outlook

The demand for housing continues to grow at a healthy pace aided by easy availability of financial assistance, declining interest rates and continuing fiscal incentives. Your Company is focussing more on the residential segment at prime locations for improving its profitability.

Your Company has not launched any projects in the commercial segment due to supply overhang still prevailing in the market.

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.

NARENDRA PROPERTIES LIMITED



None of the employees is in receipt of remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Your Company has generally complied with the requirements of Corporate Governance Code prescribed by SEBI. A report on Corporate Governance is annexed.

DIRECTORS

The Directors, Mr. S. Ramalingam and Mr. Mahendra K. Maher will be retiring by rotation at the ensuing Annual General Meeting and being eligible, they are offering themselves for reappointment.

AUDITORS

M/s. Sanjay Bhandari & Co, Chartered Accountants, Chennai will be retiring at the ensuing Annual General Meeting and, being eligible, are offering themselves for reappointment.

CONSERVATION OF ENERGY, ETC.

As the Company is basically a construction company, the Provisions of Section 217 (1) (e) of the Companies Act, 1956 so far as the information relating to conservation of energy and technology absorption is not applicable to the Company. The Company has not earned any revenue in foreign exchange and it has also not incurred any expenditure in foreign currency.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, if any.
- (ii) The Directors had 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 at the end of the financial year and the profit and loss account of the company for that period.
- (iii) 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) The Directors had prepared the annual accounts on a going-concern basis.



NARENDRA PROPERTIES LIMITED

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the various Governmental authorities, the Company's Bankers, Union Bank of India, Tamilnadu Mercantile Bank Limited and Bank of Baroda and the customers, suppliers and contractors who have supported the efforts of the Company at every critical stage.

Your Directors also wish to place on record the dedicated services rendered by the employees of the Company at all levels.

By order of the Board
for and on behalf of the Board of Directors

Place : Chennai
Dated : 29.06.2004

S. RAMALINGAM
Chairman

