

**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  
SRI NARENDRA SAKARIYA  
SRI NISHANK SAKARIYA  
SRI CHANDRAKANT UDANI

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

**BANKERS** : TAMILNAD MERCANTILE BANK LTD.  
Chennai - 600 001.  
  
BANK OF BARODA  
Egmore, Chennai - 600 008.  
  
HDFC Bank Limited  
Anna Salai, Chennai - 600 002.

**REGISTERED OFFICE** : 2A, 3rd Floor, Wellington Estate  
53 (Old No.24), Ethiraj Salai  
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)*

***NOTICE***

The Shareholder,

**NOTICE** is hereby given that the 17th Annual General Meeting of the Company will be held at 2A, 3rd Floor, Wellington Estate, No.53 (Old No.24), Ethiraj Salai, Chennai - 600 105 at 9.00 AM on MONDAY, the 24th September 2012 to transact the following business.

***ORDINARY BUSINESS :***

01. To receive, consider and adopt the Balance Sheet as on 31st March 2012 and the Profit and Loss Account for the year ended 31st March 2012 along with the Directors' and Auditors 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 a Director in the place of the Director Mr Nishank Sakariya, who retires by rotation and being eligible is offering himself for reappointment.
05. 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

**NARENDRA C MAHER**  
*Managing Director*

Place : Chennai

Dated : 31.05.2012

***NOTES :***

01. 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.
02. 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.
03. 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.
04. Members are requested to bring their copies of the Annual Report with them to the meeting.
05. The Register of members and Share Transfer books shall remain closed from Tuesday, the 11th September 2012, to Monday, the 24th September 2012 (both days inclusive) for the purpose of the 17th AGM.
06. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Transfer Agents M/s Cameo Corporate Services Limited, Subramanian Building, 1, Club House Road, Chennai-600002. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.

07. The particulars required to be furnished under Clause 49 of the Listing Agreement relating to Directors retiring by rotation and seeking re-election is provided below:

<b>Name of the Director</b>	<b>Mr Mahendra K Maher</b>	<b>Mr John K John</b>	<b>Mr Nishank Sakariya</b>
<b>Qualification</b>	Undergraduate	B.E. (Electrical)	B.Sc. (Economics & Management)
<b>Age &amp; Date of Birth</b>	65 years 13.12.1946	58 years 23.09.1954	25 years 04.09.1987
<b>Nature of expertise in specific functional areas</b>	He has extensive experience in marketing of consumer durables, electronic items and marketing of flats.	He has around 35 years of experience in areas spanning manufacturing, marketing, and finance. More particularly he has wide experience in manufacturing, marketing and maintenance of elevators.	He has experience encompassing functional areas marketing, finance, commodities trading.
<b>Names of other companies in which they are Directors</b>	NPL Home Appliances Private Limited – Director Ankur Foundations Private Limited – Director	Johnson Lifts Private Limited	Megh Sakariya International Private Limited – Director Scope Merchants Private Limited – Director Mohindra Finvest Private Limited – Director
<b>Names of other Companies in which they are Members of Committees of the Board</b>	Nil	Nil	Nil
<b>Number of shares held in the Company</b>	236600	9500	1400

By Order of the Board  
for NARENDRA PROPERTIES LIMITED

**NARENDRA C MAHER**  
*Managing Director*

Place : Chennai  
Dated : 31.05.2012

***DIRECTORS' REPORT***

Dear Shareholder,

Your Directors have pleasure in submitting the 17th Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2012.

***FINANCIAL RESULTS***

The Audited Results for the year ended 31st March 2012 are given below :

S.No.	DETAILS	YEAR ENDED 31.03.2012 (Rs.)	YEAR ENDED 31.03.2011 (Rs.)
1	Contract receipts	—	—
2	Sales	41700	103158500
3.1	Income from operations	23720550	7841548
3.2	Other income	28823	64360
	Total	23791073	111064408
4	Total expenditure	5946796	83929445
5	Interest & finance expenses	330	15049
6	Depreciation	330906	230997
7	Profit before tax	17513041	26888917
8	Provision for tax		
	- Current year	(4699313)	(5345478)
	- Deferred Tax (Asset)	4588	26931
	- Fringe Benefit Tax	—	—
9	Taxation adjustments of Previous Year	—	—
	Prior year depreciation adj.	3050	90120
10	Profit after tax	12821366	21660490
11	Add: Surplus from previous year	168402737	146742247
12	Amount available for appropriations	181224103	168402737
13	Transfer to General Reserve	Nil	Nil
14	Proposed Dividend & Dividend Tax	Nil	Nil
		<u>181224103</u>	<u>168402737</u>

***DIVIDEND***

In order to conserve resources for use for acquisition of land and for working capital, your Directors are not recommending any dividend for the year ended 31st March 2012 (previous year dividend paid is nil)

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

Your Company is a building construction company. It purchases and develops large tracts of land into residential houses, complexes and flats. It also undertakes construction of commercial complexes on a selective basis. The operations of the Company are presently confined to localities in and around Chennai and its suburbs.

**B. Performance**

Your Company reported a total income of Rs 237.91 lakhs during the year ended 31st March 2012 as against Rs 1110.64 lakhs during the previous year. The profit after tax was Rs 128.21 lakhs for the year ended 31.3.2012 as against Rs 216.60 lakhs achieved during the previous year. The variation in the total income is due to the reason that the Company follows the completion method of accounting for the contracts.

Your Company has not executed any development projects during the year since approval is awaited for the projects under consideration. Due to volatility in the price of land, your Company is cautious in investing the resources. As such substantial part of total income has been earned towards interest and dividend from mutual fund units invested out of the surplus funds available with the Company pending deployment in its operations.

**C. Segmentwise Performance**

Your Company undertakes construction projects at Chennai and its suburb. The activities of your Company falls under single segment namely Construction of Buildings (Residential & Commercial).

The Company is owning lands at Sholinganallur for promoting residential / commercial projects. The Company has obtained sanction for the one of the project at Sholinganallur which will be launched in due course. These projects are in the vicinity of the Chennai IT Corridor and they are expected to fetch good response from the buyers.

**D. Concerns**

Land availability within the city limits remains a cause for concern. Your Company has adopted the conscious policy of developing residential projects at suburbs close to the IT Corridor to the south of Chennai.

**E. Outlook**

The Chennai city and its suburbs are steadily expanding and developing due to industrial activities and proliferation of information technology hub. In view of the large extent of unmet demand for residential units amongst the large section of working class population, the demand for residential units is bound to be always there. Your Company is conscious of this and it has devised plans to capitalize on the situation by constantly striving to balance its operations and costs so that it could offer its products at a competitive price affordable to the buyers.

**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.

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

***CORPORATE GOVERNANCE***

Your Company is fully compliant with the requirements of Corporate Governance Code as prescribed under the revised Clause 49 of the Listing Agreement. A report on Corporate Governance is annexed and it forms part of this report.

***DIRECTORS***

The Directors Mr Mahendra K Maher, Mr John K John and Mr Nishank Sakariya will be retiring by rotation at the ensuing Annual General Meeting and they being eligible 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 Sec. 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.

Your Company believes in adopting and implementing best practices relating to energy conservation at each of the building units which it constructs. The buildings are designed for ensuring optimum use of electrical power for cooling, heating and lighting of the interior and exteriors. Your Company is taking active steps to adopt the energy conservation measures prescribed under Energy Conservation Building Code (ECBC) issued by Bureau of Energy Efficiency (BEE).

***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 explanation relating to material departures, if any.
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments 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.

***ACKNOWLEDGEMENT***

Your Directors take this opportunity to thank the various Governmental authorities, the Company's Bankers Bank of Baroda, HDFC Bank Limited, Tamilnadu Mercantile Bank Limited and all 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

**S RAMALINGAM**  
Chairman

Place : Chennai  
Dated : 31st May 2012

***CERTIFICATE******TO THE MEMBERS OF NARENDRA PROPERTIES LIMITED***

We have examined the compliance of conditions of Corporate Governance by M/s. Narendra Properties Limited, for the year ended March 31st 2012, as stipulated in clause 49 of the Listing Agreement entered into by the Company with stock exchanges.

The compliance of Corporate Governance is the responsibility of the management. Our responsibility was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

for **SANJAY BHANDARI & CO.,**  
Chartered Accountants  
FRN : 003568S

Place : Chennai  
Dated : 31st May 2012

**SANJAY BHANDARI**  
Partner, Membership No.028112

***A REPORT ON CORPORATE GOVERNANCE***

***(As required under Clause 49 of the Listing Agreement)***

**I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The company is in the business of building construction for residential/commercial purposes. As a public listed company in India, it scrupulously adheres to the requirements of the listing agreements executed with the Stock Exchanges. The Company has complied, in all material respects, with the requirements of Corporate Governance as specified in the listing agreement.

**II. BOARD OF DIRECTORS**

- i. The Company has a Non-Executive Chairman. The Company's Board comprises nine Directors of whom four are Independent Directors (44%) and five are Non-Independent Directors (56%). The number of Non-Executive Directors is seven (78%). The composition of the Board is in conformity with Clause 49 of the Listing Agreement.
- ii. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which he/she is a Director. Necessary disclosures regarding Directorship / Committee positions held by the Directors in other public companies as at 31st March 2012 have been made by the Directors.



- iii. The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below.

S. No.	Name of the Director	Promoter/ Non-promoter	Relationship with other Directors	Executive/ Non-executive/ Independent	No.of Board Meetings attended	Last AGM attended (Yes/No)	No.of outside Director-ship(s) held	Member of Committees
1.	Mr S Ramalingam	Non-Promoter	Not related	Non-executive/ Independent	4	Yes	2	Nil
2.	Mr Narendra C Maher	Promoter	Related to Mr Chirag N Maher as his Father	Executive/ Non-Independent	4	Yes	2	Nil
3.	Mr Mahendra K Maher	Promoter	Not related	Non-executive/ Non-Independent	4	Yes	2	Nil
4.	Mr John K John	Non-promoter	Not related	Non-executive/ Independent	2	Yes	1	Nil
5.	Mr R Subrahmanian	Non-Promoter	Not related	Non-executive/ Independent	4	Yes	Nil	Nil
6.	Mr Chirag N Maher	Promoter	Related to Mr Narendra C Maher as his Son	Executive/ Non-Independent	4	Yes	Nil	Nil
7.	Mr Narendra Sakariya	Promoter	Related to Mr Nishank Sakariya as his Father	Non-executive/ Non-Independent	4	Yes	3	Nil
8.	Mr Chandrakant Udani	Non-promoter	Not related	Non-executive/ Independent	4	Yes	Nil	Nil
9.	Mr Nishank Sakariya	Promoter	Related to Mr Narendra Sakariya as his Son.	Non-executive/ Non-Independent	2	Yes	3	Nil

- iv. During the year ended 31st March 2012, 4 (Four) Board Meetings were held on 31st May 2011, 10th August 2011, 10th November 2011 and 10th February 2012.

- v. The Notice and Agenda for the Board Meeting is sent to each of the Director at least a week in advance. The Managing Director as the Chief Executive Officer of the Company briefs the Board at every meeting on the overall performance of the Company. The Board reviews all the mandatory matters as prescribed under Clause 49 of the Listing Agreement every quarter.

### **III. AUDIT COMMITTEE**

- i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement read with section 292A of the Companies Act, 1956.
- ii. The terms of reference of the Audit Committee are in line with the one prescribed under Clause 49 of the Listing Agreement.
- iii. In its meetings, the Audit Committee considered and reviewed matters relating to operational, financial and other business areas and also reviewed the quarterly results and annual results of the Company.
- iv. The previous Annual General Meeting was held on 28th September 2011 and it was attended by the Chairman of the Audit Committee.
- v. The Audit Committee of Directors met 4 (Four) times during the year on 31st May 2011, 10th August 2011, 10th November 2011 and 10th February 2012.
- vi. The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

S. No.	Name of the Director	Category	No.of meetings held	No.of meetings Attended
1.	Mr John K John	Chairman, Independent, Non-Executive	4	2
2.	Mr Mahendra K Maher	Non-Independent, Non-Executive	4	4
3.	Mr S Ramalingam	Independent, Non-Executive	4	4

### **IV. REMUNERATION COMMITTEE**

- i. The Remuneration Committee of Directors comprises of the following Directors as its Members:

S. No.	Name of the Director	Category	No. of Meetings held	No.of Meetings attended
1	Mr S Ramalingam	Chairman, Independent, Non-Executive	1	1
2	Mr Mahendra K Maher	Non-Independent, Non-Executive	1	1
3	Mr Narendra C Maher	Non-Independent, Executive	1	1

- ii. The Remuneration Committee met once during the year on 31st May 2011.
- iii. The terms of reference of the Remuneration Committee to review and recommend the remuneration payable to Executive and Non-Executive Directors.
- iv. The Company does not have any Employee Stock Option Scheme.