

DOOGAR & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **Garv Buildtech Private Limited**

We have audited the accompanying consolidated financial statements of **Garv Buildtech Private Limited** ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **Doogar & Associates**

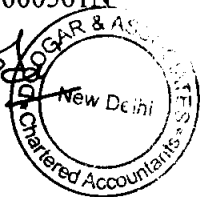
Chartered Accountants

Firm's Reg.No.000561N


Vikas Modi

Partner

M. No. 505603



Place: New Delhi

Date : 18 MAY 2013

GARV BUILDTECH PRIVATE LIMITED

Regd:10 L.S.C.,Kalkaji New Delhi-110019

Consolidated Balance Sheet as at March 31, 2013

(Amount in Rupees)

Particulars	Note No.	As at March 31,2013	As at March 31,2012
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	500,000.00	500,000.00
Reserves and surplus	2	(23,099,161.91)	(10,742,567.30)
		(22,599,161.91)	(10,242,567.30)
Non-current liabilities			
Other Long term liabilities	3	54,240,865.00	-
		54,240,865.00	-
Current liabilities			
Trade payables	4	50,686,348.00	148,654,211.00
Other current liabilities	5	1,524,628,083.10	1,175,923,471.00
Short term provisions	6	1,728.00	1,730.00
		1,575,316,159.10	1,324,579,412.00
TOTAL		1,606,957,862.19	1,314,336,844.70
II. ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	652,290.66	880,436.00
Goodwill on consolidation		7,978,727.15	7,978,727.15
Deferred tax assets	8	38,382.00	10,906.00
Long-term loans and advances	12	2,809,563.00	3,017,745.00
Other non-current assets	11	119,361.00	-
		11,598,323.81	11,887,814.15
Current assets			
Inventories	9	992,104,002.49	703,106,826.03
Cash and bank balances	10	48,619,632.13	50,761,061.50
Short term loans and advances	12	554,635,903.76	548,581,143.02
		1,595,359,538.38	1,302,449,030.55
TOTAL		1,606,957,862.19	1,314,336,844.70
Significant accounting policies	A		
Notes on financial statements	1-31		

The notes referred to above form an integral part of financial statements.

As per our report of even date attached

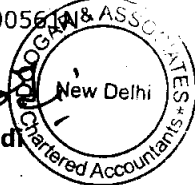
For and on behalf of

Doogar & Associates

Chartered Accountants

Reg No.000561

Vikas Modi
(Partner)
M No. 505603



For and on behalf of the Board of Directors

Manish Goel
(Director)
DIN: 03560939

Vineet Goyal
(Director)
DIN: 03575020

Place : New Delhi

Date : 18 MAY 2013

GARV BUILDTECH PRIVATE LIMITED

Regd:10 L.S.C: Kalkaji New Delhi-110019

Consolidated Statement of Profit and Loss for the year ended March 31, 2013

(Amount in Rupees)

Particulars	Note No.	Year ended March 31, 2013	Year ended March 31, 2012
Revenue			
Revenue from operations	13	51,860.09	-
Other Income	14	885,436.00	109,672.00
Total Revenue		937,296.09	109,672.00
Expenses			
Cost of material consumed, construction & other related project cost	15	113,087,695.37	215,965,677.38
Changes in inventories of project in progress	16	(113,087,695.37)	(215,891,838.38)
Employees benefits expenses	17	80,395.00	-
Finance costs	18	72,846.47	62,248.30
Depreciation and amortization expense	7	228,145.34	188,554.00
Other expenses	19	12,946,093.89	9,443,615.00
Total Expenses		13,327,480.70	9,768,256.30
Profit/(Loss) before tax		(12,390,184.61)	(9,658,584.30)
Tax expense:			
Current tax		1,728.00	1,730.00
Tax adjustment of earlier years		(7,054.00)	-
Deferred tax charge/(credit)		(27,476.00)	(7,816.00)
MAT Credit		(788.00)	(364.00)
		(33,590.00)	(6,450.00)
Loss for the year		(12,356,594.61)	(9,652,134.30)
Earning per equity share-Basic & diluted (in rupees) (Face value of Rs 10 each)	29	(247.13)	(193.04)
Significant accounting policies Notes on financial statements	A 1-31		

The notes referred to above form an integral part of financial statements.

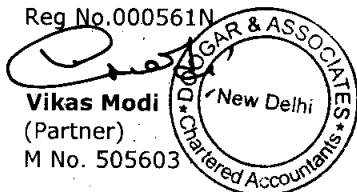
As per our report of even date attached

For and on behalf of

Doogar & Associates

Chartered Accountants

Reg No.000561N



Vikas Modi

(Partner)

M No. 505603

For and on behalf of the Board of Directors

Manish Goel
(Director)
DIN: 03560939

Vineet Goyal
(Director)
DIN: 03575020

Place : New Delhi

Date :

18 MAY 2013

GARV BUILDTECH PRIVATE LIMITED
Regd:10 L.S.C. Kalkaji New Delhi-110019

Consolidated Cash Flow Statement for the year ended March 31,2013

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
A) Cash flow from operating activities		
Profit/(Loss) for the year before tax	(12,390,184.61)	(9,658,584.30)
Adjustments for :		
Interest received	(9,176.00)	(28,688.00)
Interest and finance charge	108,903,500.33	88,991.59
Depreciation and amortization expenses	228,145.34	188,554.00
Operating profit before working capital changes	96,732,285.06	(9,409,726.71)
Adjustments for Working capital		
Inventories	(288,997,176.46)	(595,073,021.29)
Loans and advances	(6,054,760.74)	130,166,974.29
Trade payables and other liabilities	298,034,225.10	504,434,665.00
	2,982,287.90	39,528,618.00
Cash from (used in) operating activities	99,714,572.96	30,118,891.29
Direct tax paid	214,294.00	(13,825.00)
Net cash (used in)/generated from operating activities (A)	99,928,866.96	30,105,066.29
B) Cash flow from investing activities		
Purchase of fixed assets	-	(1,068,990.00)
Movement in bank deposits (net)	(9,176.00)	(8,141.00)
Interest received	9,176.00	28,688.00
Net cash (used in)/generated from Investing activities (B)	-	(1,048,443.00)
C) Cash flow from financing activities		
Interest and finance charges paid	(101,960,111.33)	(88,991.59)
Net cash (used in)/generated from financing activities (C)	(101,960,111.33)	(88,991.59)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(2,031,244.37)	28,967,631.70
Opening balance of cash and cash equivalents	50,650,876.50	21,683,244.80
Closing balance of cash and cash equivalents	48,619,632.13	50,650,876.50

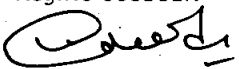
Note: 1

The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Note: 2

Depreciation includes amount charged to cost of material consumed, construction & other related project

As per our report of even date attached

For and on behalf of
Doogar & Associates
Chartered Accountants
Reg.No 000561N

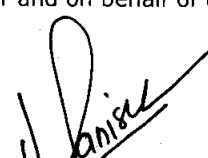

Vikas Modi
(Partner)
M No. 505603

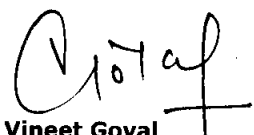


Place: New Delhi
Date :

18 MAY 2013

For and on behalf of the Board of Directors


Manish Goel
(Director)
DIN: 03560939


Vineet Goyal
(Director)
DIN: 03575020

Consolidated Notes to financial statements for the year ended March 31,2013

A. Significant accounting policies

a. Basis of preparation of financial statements

The financial statements are prepared under historical cost convention in accordance with the Accounting Principles Generally Accepted in India ('Indian GAAP') and the provisions of Companies Act 1956

b. Use of estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use

d. Depreciation

Depreciation on fixed assets is provided on written down value method in the manner and rates prescribed in Schedule XIV to the Companies Act, 1956 except in the case of steel shuttering and scaffolding material, which is treated as part of plant and machinery where the estimated useful life based on technical evaluation has been determined as five years

e. Borrowing costs

Borrowing cost that are directly attributable to the acquisition or construction of a qualifying asset (including real estate projects) are considered as part of the cost of the asset/project. All other borrowing costs are treated as period cost and charged to statement of profit and loss in the year in which incurred.

f. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

g. Investments

Non-current investments are stated at cost. Provision for diminution, if any, in the value of each non-current investment is made to recognize a decline, other than of a temporary nature. Current investments are stated at lower of cost or market value.

h. Inventories

- i. Building material and consumable stores are valued at cost, which is determined on the basis of the 'First in First out' method
- ii. Land is valued at cost, which is determined on average method. Cost includes cost of acquisition and all other related costs incurred.
- iii. Completed real estate project for sale is valued at lower of cost or net realizable value. Cost includes cost of materials, services and other related overheads

i. Projects in progress

Projects in progress are valued at cost. Cost includes cost of land, materials, construction, services, borrowing costs and other overheads relating to projects. Due to applicability of Guidance note on Accounting for Real Estate Transactions (Revised) 2012 selling costs have been charged to statement of profit and loss. Selling costs incurred upto 31st March, 2012 are included in the project in progress have continued to be carried forward as such.

j. Revenue recognition

i. Real estate projects

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised) 2012" (referred to as "Guidance Note"), revenue from real estate projects is recognised on Percentage of Completion (POC) method provided the following conditions are met:-

1. All critical approvals necessary for commencement of the project have been obtained.
2. The expenditure incurred on construction and development is not less than 25% of the total estimated construction and development cost
3. At least 25% of the salable project area is secured by way of contracts or agreements with buyers.
4. At least 10% of the total revenue as per the agreement of sale or any other legally enforceable document are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the respective contracts.

The estimates of the projected revenues, projected profits, projected costs, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period in which such changes are determined.

Unbilled revenue represents revenue recognized based on percentage of completion method over and above amount due as per payment plan agreed with the customers. Amount received from customers which exceeds the cost and recognized profits to date on projects in progress, is considered as advance received from customers under other current liabilities. Any billed amount against which revenue is recognised but amount not collected is considered as trade receivable.

- ii. Interest due on delayed payments by customers is accounted on receipts basis due to uncertainty of recovery of the same and is treated as part of operating income.

k. Accounting for taxes on income

- i. Provision for current tax is made based on the tax payable under the Income Tax Act 1961.
- ii. Deferred tax on timing differences between taxable and accounting income is accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax Assets are recognized only when there is a reasonable certainty of their realization. Wherever there are unabsorbed depreciation or carry forward losses under Tax laws Deferred Tax assets are recognized only to the extent that there is virtual certainty of their realization.



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l. Provisions, contingent liabilities and contingent assets

A provision is recognized when:

- i. the Company has a present obligation as a result of a past event;
- ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii. a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote no provision or disclosure is made.

m. Operating lease

Lease arrangements where the risk and rewards incident to ownership of an assets substantially vest with the lessor are recognized as operating lease. Lease rent under operating lease are charged to statement of profit and loss on straight line basis over the lease term.

n. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Principles of consolidation

The consolidated financial statements relate to Garv Buildtech Private Limited ('the Parent') and its subsidiaries (collectively referred to as 'the Group'). The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of financial statements as laid down under the Accounting Standards prescribed in Companies (Accounting Standard) Rules 2006. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and resulting unrealized gain/losses.

Where the cost of the investment is higher/lower than the share of equity in the subsidiary at the time of acquisition the resulting difference is treated as goodwill/capital reserve.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The financial statements of the following subsidiaries entity have been consolidated as per the Accounting Standard 21 on 'Consolidated Financial Statements'

Name of Subsidiaries	As at March 31,2013	As at March 31,2012
	% of shareholding	
Ashok Infrabuild Private Limited	100.00	100.00
Glacier Agro Food Products Private Limited	100.00	100.00
Tejpal Infra Developers Private Limited	100.00	100.00

1. SHARE CAPITAL

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
	Authorised	
50,000 (50,000) Equity shares of Rs.10 each	500,000.00	500,000.00
	500,000.00	500,000.00
Issued, Subscribed & Paid up		
50,000 (50,000) Equity shares of Rs.10 each fully paid up	500,000.00	500,000.00
	500,000.00	500,000.00

Figures in Bracket represents those of previous year.

1.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31,2013		As at March 31,2012	
	Number	Amount in Rupees	Number	Amount in Rupees
Equity Shares of Rs 10 each fully paid				
Shares outstanding at the beginning of the year	50,000	500,000.00	50,000	500,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	500,000.00	50,000	500,000.00

1.2 Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10/-per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

1.3 Shares held by holding / Ultimate holding company and / or their subsidiaries and associates

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Number	Amount	Number	Amount
Holding company				
Omaxe Limited	25,500	255,000.00	25,500	255,000.00
	25,500	255,000.00	25,500	255,000.00



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1.4 Details of shareholders holding more than 5% shares in equity capital of the company

Particulars	As at March 31,2013		As at March 31,2012	
	No of Shares held	% Holding	No of Shares held	% Holding
Omaxe Limited	25,500	51%	25,500	51%
Mehboob Builders Private Limited	13,000	26%	13,000	26%
Mehtab Infratech Private Limited	11,500	23%	11,500	23%

The aforesaid disclosure is based upon percentages computed as at the balance sheet date. As per records of the company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial ownerships of shares.

1.5. The company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestments.

1.6 The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The company has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares since the date of its incorporation.

2. RESERVES & SURPLUS

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
Surplus/(Deficit) as per Statement of Profit & Loss		
Balance at the beginning of the year	(10,742,567.30)	(1,090,433.00)
Add: Net Profit/(loss) for the current year	(12,356,594.61)	(9,652,134.30)
Balance at the end of the year	(23,099,161.91)	(10,742,567.30)

3. OTHER LONG TERM LIABILITIES

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
Non current Trade Payables (refer note no. 4)	54,215,865.00	-
Non current other liabilities (refer note no. 5)	25,000.00	-
	54,240,865.00	-

4. TRADE PAYABLES

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Non current	Current	Non current	Current
Deferred Payment Liabilities				
-in respect of development & other charges to be paid on deferred credit terms to authority	54,215,865.00	48,252,361.00	-	145,312,656.00
Other trade payables				
- due to micro small & medium enterprises*	-	-	-	-
- fellow subsidiary company#	-	121,594.00	-	538,567.00
- others	-	2,312,393.00	-	2,802,988.00
# Due to Jagdamba Contractor and Builders Limited				
	54,215,865.00	50,686,348.00	-	148,654,211.00
Less: Amount disclosed under the head other long term liabilities (refer note no. 3)	54,215,865.00	-	-	-
	-	50,686,348.00	-	148,654,211.00

*The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and, hence, disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act have not been given.

5. OTHER LIABILITIES

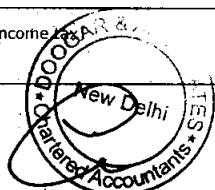
(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Non current	Current	Non current	Current
Security deposit received	25,000.00	-	-	-
Advance from holding and fellow subsidiary companies	-	1,243,492,182.00	-	994,930,768.00
Advance from customers and others	-	271,944,683.10	-	179,303,648.00
Others				
Statutory dues payable	-	71,925.00	-	217,836.00
Interest on trade payables	-	6,943,389.00	-	-
Others	-	2,175,904.00	-	1,471,219.00
	25,000.00	1,524,628,083.10	-	1,175,923,471.00
Less: Amount disclosed under the head other long term liabilities (refer note no. 3)	25,000.00	-	-	-
	-	1,524,628,083.10	-	1,175,923,471.00

6. SHORT TERM PROVISION

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
Provision for income tax	1,728.00	1,730.00
	1,728.00	1,730.00



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7. Fixed Assets

(Amount in Rupees)

Nature of Assets	Gross Block (At Cost)			Depreciation / Amortisation			Net Block		
	As at April 1, 2012	Additons	Deletion / Adjustments	As at March 31, 2013	As at April 1, 2012	For the year	Deletion / Adjustments	As at March 31, 2013	As at March 31, 2012
Tangible assets									
Furniture and fixture	1,800.00	-	-	1,800.00	1,529.50	270.50	-	1,800.00	270.50
Vehicle	1,067,190.00	-	-	1,067,190.00	187,024.50	227,874.84	-	414,899.34	880,165.50
Total	1,068,990.00	-	-	1,068,990.00	188,554.00	228,145.34	-	416,699.34	880,436.00
Previous year	-	1,068,990.00	-	1,068,990.00	-	188,554.00	-	188,554.00	880,436.00

Note:-

(Amount in Rupees)

	March 31, 2013	March 31, 2012
Depreciation has been charged to		
-Cost of material consumed, construction & other related project cost. (refer note no. 15)		
-Profit & Loss Account	228,145.34	188,554.00
	<u>228,145.34</u>	<u>188,554.00</u>

Total Mr.



8. DEFERRED TAX ASSETS

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
Deferred tax assets		
On account of preliminary expenses	1,236.00	2,163.00
Difference between book and tax base of fixed assets	37,146.00	8,743.00
	38,382.00	10,906.00

9. INVENTORIES

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
Building Material and Consumables	-	355,098.91
Land	586,696,764.00	410,432,184.00
Project in progress	405,407,238.49	292,319,543.12
	992,104,002.49	703,106,826.03

10. CASH & BANK BALANCES

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Non current	Current	Non current	Current
Cash and cash equivalents				
Balances with banks in current accounts	-	18,993,609.28	-	1,685,061.65
Cash on hand	-	29,268,022.85	-	48,965,814.85
Cheques/drafts on hand	-	358,000.00	-	-
	-	48,619,632.13	-	50,650,876.50
Other Bank Balances				
Held as margin money	119,361.00	-	-	110,185.00
	119,361.00	-	-	110,185.00
Less: Amount disclosed under the head "Other non current assets" (Refer note no.9)	119,361.00	-	-	-
	-	48,619,632.13	-	50,761,061.50

11. OTHER NON CURRENT ASSETS

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
Other bank balances (refer note no.11)	119,361.00	-
	119,361.00	-

12. LOANS & ADVANCES

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Non Current	Current	Non Current	Current
(Unsecured, considered good unless otherwise stated)				
Security deposits	2,681,250.00	-	2,681,250.00	-
Advances against goods, services & others				
Fellow subsidiary companies \$	-	1,000,347.00	-	1,012,076.00
Others	125,000.00	553,473,452.00	125,000.00	547,549,326.00
Balance with Government / statutory authorities	-	135,250.00	-	-
MAT credit entitlement	1,258.00	-	470.00	-
Direct taxes refundable (net of provisions)	2,055.00	-	211,025.00	-
Prepaid Expenses	-	26,854.76	-	19,741.02
	2,809,563.00	554,635,903.76	3,017,745.00	548,581,143.02



Mr. P. J. Roy

§ Particulars in respect of loans and advances against goods, services & others to Subsidiary and fellow subsidiary companies:-

(Amount in Rupees)

Name of companies	Nature of Relation	As at March 31, 2013	As at March 31, 2012
Jagdamba Contractors And Builders Limited	Fellow subsidiary company	1,000,347.00	1,012,076.00
	Total	1,000,347.00	1,012,076.00

*Advances includes advance against collobration amounting to Rs 57,51,88,770/- (P.Y. Rs. 56,96,78,885/-) paid to certain parties (including subsidiaries/associates/related parties) for acquiring land for development of real estate projects, either on collobration basis or self-development basis.

13. REVENUE FROM OPERATION

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Other Operating Income	51,860.09	-
	51,860.09	-

14. OTHER INCOME

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Interest on bank deposits	9,176.00	28,688.00
Interest on others	10,835.00	-
Foreign exchange fluctuation gain	-	5,984.00
Miscellaneous income	865,425.00	75,000.00
	885,436.00	109,672.00

15. COST OF MATERIAL CONSUMED, CONSTRUCTION & OTHER RELATED PROJECT COST

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Inventory at the beginning of the year		
Building materials and consumables	355,098.91	-
Land	410,432,184.00	31,606,100.00
	410,787,282.91	31,606,100.00
Add: Incurred during the year		
Land, development and other rights	176,264,580.00	572,708,740.00
Building materials purchases	-	355,232.27
Construction cost	770,162.00	1,419,433.00
Rates and taxes	12,687.00	31,901.00
Administrative expenses	1,052,093.60	15,875,242.01
Selling expenses	-	4,608,029.72
Finance costs	108,830,653.86	26,743.29
Power, fuel and other electrical costs	2,067,000.00	121,539.00
	288,997,176.46	595,146,860.29
Less: Inventory at the close of the year		
Building materials and consumables	-	355,098.91
Land	586,696,764.00	410,432,184.00
	586,696,764.00	410,787,282.91
	113,087,695.37	215,965,677.38

16. CHANGES IN INVENTORIES OF PROJECTS IN PROGRESS

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Inventory at the beginning of the year		
Projects in progress	292,319,543.12	76,427,704.74
	292,319,543.12	76,427,704.74
Inventory at the close of the year		
Projects in progress	405,407,238.49	292,319,543.12
	405,407,238.49	292,319,543.12
Changes in inventories of projects in progress	(113,087,695.37)	(215,891,838.38)



Mr. Chotal

17. EMPLOYEE BENEFIT EXPENSE

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
Salaries, wages, allowances and bonus	70,500.00	-
Staff welfare expenses	9,895.00	-
	80,395.00	-
Less: Allocated to projects	-	-
	80,395.00	-

18. FINANCE COSTS

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
Interest *	108,804,679.00	51,199.00
Bank charges	98,821.33	37,792.59
	108,903,500.33	88,991.59
Less: Allocated to projects	108,830,653.86	26,743.29
	72,846.47	62,248.30

* includes reimbursement of interest

19. OTHER EXPENSES

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
Administrative expenses		
Rent	8,578,475.00	8,774,216.00
Rates and taxes	28,792.80	19,501.00
Insurance	16,523.40	-
Repairs and maintenance- building	90,000.00	120,000.00
Repairs and maintenance- others	5,562.00	-
Water & Electricity charges	511,061.00	316,474.00
Professional & consultancy charges	1,122,252.00	15,239,744.80
Vehicle running and maintenance	234,416.00	73,982.00
Travelling and conveyance	40.00	646,913.00
Printing and stationery	29,565.00	10,680.00
Postage, telephone & courier	3,000.00	-
Auditors' remuneration	43,708.00	44,944.00
Miscellaneous expenses	96,732.69	32,402.21
	10,760,127.89	25,278,857.01
Less: Allocated to projects	1,052,093.60	15,875,242.01
Total (a)	9,708,034.29	9,403,615.00
Selling Expenses		
Business promotion	358,614.80	2,257,969.18
Commission	1,008,176.00	-
Advertisement and publicity	1,871,268.80	2,390,060.54
	3,238,059.60	4,648,029.72
Less: Allocated to projects	-	4,608,029.72
Total (b)	3,238,059.60	40,000.00
Total(a+b)	12,946,093.89	9,443,615.00



MP. Total

20. Contingent Liabilities and commitments

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Bank Guarantees		
Bank Guarantees given by holding company namely Omaxe limited on behalf of the company	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

21. Balances of trade receivables, trade payables, current / non-current advances given/ received are subject to reconciliation and confirmation from respective parties. The balance of said trade receivables, trade payables, current / non-current advances given/ received are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined, therefore, no provision for any liability that may result out of such reconciliation and confirmation has been made in the financial statement, the financial impact of which is unascertainable due to the reasons as above stated.

22. The accounts of the company have been prepared on going concern basis. The company is engaged in real estate business and has not met all requisite conditions necessary for recognition of revenue as per Guidance note on Accounting for Real Estate Transactions (Revised), 2012, hence revenue on project have not been recognised resulting in temporary erosion of network.

The management of the company is of the opinion that upon recognition of revenue in subsequent years, the network would become positive and in view of landstock and project in progress there is no threat to going concern, hence accounts have been prepared on going concern basis.

23. Inventories, loans & advances, trade receivables and other current / non-current assets are in the opinion of the management do not have a value on realization in the ordinary course of business, less than the amount at which they are stated in the balance sheet. The classification of assets and liabilities between current and non-current have been made based on management perception as to its recoverability / settlement and other criteria as set out in the revised schedule VI to the Companies Act, 1956.

24. Determination of revenues under 'Percentage of Completion method' necessarily involves making estimates by management for percentage of completion, cost to completion, revenues expected from projects, projected profits and foreseeable loss. These estimates being of technical nature have been relied upon by the auditors.

25. EARNING AND EXPENDITURE IN FOREIGN CURRENCY

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Earning in foreign currency	Nil	Nil
Expenditure in foreign currency	Nil	Nil

26. Auditors' Remuneration

(Amount in Rupees)

Particulars	Year ended March 31, 2013*	Year ended March 31, 2012
Statutory audit fee	43,708.00	44,944.00
Total	43,708.00	44,944.00

*excluding service tax of Rs.1,236/-

27. Segment Reporting

The Company is principally engaged in a single business segment viz. Real Estate and operates in one geographical segment as per accounting standard AS-17 on 'Segment Reporting'.

28. Lease

a. The Company has taken certain premises on non-cancellation operating lease.

The future minimum lease payments in respect of which as at March 31, 2013 are as follows:-

Particulars	(Amount in Rupees)	
	Year ended March 31, 2013	Year ended March 31, 2012
Minimum lease payments		
i) Payable not later than one year	7,062,750.00	6,885,000.00
ii) Payable later than one year and not later than five years	31,120,200.00	30,565,350.00
iii) Payable later than five years	13,965,600.00	21,583,200.00
	52,148,550.00	59,033,550.00

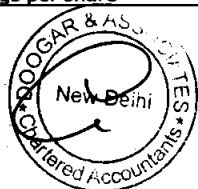
b. The lease agreements provide for an option to the Company to renew the lease period at the end of the non-cancellation period. There are no exceptional / restrictive covenants in the lease agreement

c. Lease rent expenses in respect of operating lease debited to statement of profit and loss Rs. 85,78,475 (P.Y. 87,74,216).

29. Earnings per share

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit/(loss) after tax	(12,356,594.61)	(9,652,134.30)
Numerator used for calculating basic and diluted earnings per share	(12,356,594.61)	(9,652,134.30)
Equity shares outstanding as at the year end	50,000	50,000
Weighted average number of shares used as denominator for calculating basic & diluted earnings per share	50,000	50,000
Nominal value per share	10/-	10/-
Basic & diluted earnings per share	(247.13)	(193.04)



Mr. Chotal

30. Related parties disclosures

A. Name of related parties:-

(i) Holding Company

Omaxe Limited

(ii) Fellow Subsidiary companies

1. Jagdamba Contractors and Builders Limited
2. Omaxe Chandigarh Extension Developers Private Limited
3. Omaxe Infrastructure Ltd.

B. Summary of related parties transactions are as under :

(Amount in Rupees)

Transaction	Omaxe Limited	Jagdamba Contractors And Builders Limited	Omaxe Chandigarh Extension Developers Private Limited	Omaxe Infrastructure Ltd.	Total
	Holding company	Fellow subsidiary company	Fellow subsidiary company	Fellow subsidiary company	
A. Transactions made during the year					
Construction cost	Nil	211,446.00	Nil	Nil	211,446.00
	(Nil)	(563,584.00)	(Nil)	(Nil)	(563,584.00)
Reimbursement of finance cost	85,661,914.00	Nil	Nil	Nil	85,661,914.00
	(Nil)	(Nil)	(Nil)	(Nil)	-
Lease rent paid	36,000.00	Nil	Nil	Nil	36,000.00
	(39,708.00)	(Nil)	(Nil)	(Nil)	(39,708.00)
B. Closing balances					
Balance payable	1,243,492,182.00	121,594.00	Nil	Nil	1,243,613,776.00
	(986,230,768.00)	(538,567.00)	(3,000,000.00)	(5,700,000.00)	(995,469,335.00)
Loans and advances receivable	Nil	1,000,347.00	Nil	Nil	1,000,347.00
	(Nil)	(1,012,076.00)	(Nil)	(Nil)	(1,012,076.00)
Bank guarantees	1,000,000.00	Nil	Nil	Nil	1,000,000.00
	(1,000,000.00)	(Nil)	(Nil)	(Nil)	(1,000,000.00)

Figures in brackets represent those of the previous year.

31. The company has regrouped / reclassified previous year figures where necessary to conform to with current year's classification.

The notes referred to above forms integral part of financial statements.

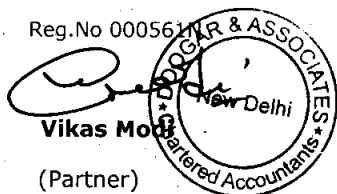
As per our report on even date attached

For and on behalf of

Doogar & Associates

Chartered Accountants

Reg.No 000561



Vikas Mohan

(Partner)

M No. 505603

Place: New Delhi

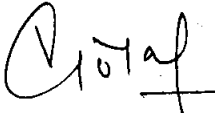
Date : 18 MAY 2013

For and on behalf of the Board of Directors


Manish Goel

(Director)

DIN: 03560939



Vineet Goyal

(Director)

DIN: 03575020