

DOOGAR & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of **Omaxe India Trade Centre Private Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **Omaxe India Trade Centre Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

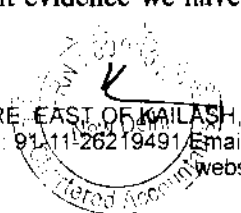
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:


- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: New Delhi
Date : 27 MAY 2014

For Doogar & Associates
Chartered Accountants
Reg. No. 000561N


New Delhi **M. S. Agarwal**
(Partner)
M.No. 086580



Annexure to the Auditors' Report

(Referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our report of even date to the members of Omaxe India Trade Centre Private Limited on the Financial Statements for the year ended 31st March, 2014)

- (i) The Company does not have any fixed assets.
- (ii) (a) According to the information and explanations given to us, the inventory comprises project in progress. Keeping in view the nature of operations of the Company, the aforesaid project in progress cannot be physically verified.
 - (b) In our opinion the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - (c) In our opinion the company is maintaining proper records of inventory. No discrepancy was noticed on physical verification of inventory as compared to book records.
- (iii) The company has neither granted nor taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (g) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and with regards to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register required to be maintained in pursuance of section 301 of The Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered into the register required to be maintained in pursuance of section 301 of the Act have been made, other than the transactions for which comparable prices are not available, at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion, the Company has not accepted any deposits from public, hence, the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the company
- (vii) The Company has in-house internal audit system which in our opinion is commensurate with the size of the Company and the nature of its business.
- (viii) As informed to us, the Companies (Cost Accounting Records) Rules, 2011 as prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 is not applicable in respect of the Company. Accordingly clause 4(viii) of the Order is not applicable to the Company.
- (ix) According to the records of the Company, all applicable undisputed statutory dues have been deposited regularly during the year with the appropriate authorities (except for delays in certain cases) and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned, for a period of more than six months from the date they become payable. Further, there are no statutory dues which have not been deposited on account of any dispute.
- (x) The Company's accumulated losses at the end of financial year are more than fifty percent of its net worth and it has not incurred cash losses during the financial year covered by our audit. It has incurred cash loss in the immediately preceding financial year.



- (xi) In our opinion and according to the information and explanations given to us, the Company has not taken any loan from financial institutions or banks.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantee on behalf of other company.
- (xvi) According to the information and explanation given to us and records examined by us, no term loans have been raised during the year .
- (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
- (xviii) The Company has not made preferential allotment of shares to the parties covered in register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year .
- (xx) The Company has not raised money by way of public issues during the year .
- (xxi) During the course of audit carried out and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

Place: New Delhi
Date: 27 MAY 2014

For Doogar & Associates
Chartered Accountants
Reg. No. 000561N



M. S. Agarwal
M. S. Agarwal
(Partner)
M.No. 086580

OMAXE INDIA TRADE CENTRE PRIVATE LIMITED
(Formerly known as AVG Towers Private Limited)
10, Local Shopping Centre, Kalkaji, New Delhi-110019
CIN: U70100DL2011PTC217186


Balance Sheet as at March 31, 2014

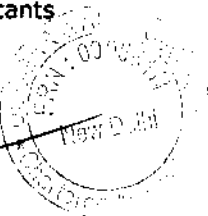
(Amount in Rupees)

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	100,000.00	100,000.00
Reserves and surplus	2	(22,809,243.55)	(37,311,958.06)
		(22,709,243.55)	(37,211,958.06)
Non-current liabilities			
Other Long term liabilities	3	198,111,393.63	218,947,602.89
		198,111,393.63	218,947,602.89
Current liabilities			
Trade payables	4	169,873,191.00	42,362,505.00
Other current liabilities	5	1,679,516,116.14	620,675,026.11
		1,849,389,307.14	663,037,531.11
TOTAL		2,024,791,457.22	844,773,175.94
II ASSETS			
Non-current assets			
Long-term loans and advances	6	6,314,479.00	1,693,348.00
Other Non Current Assets	9	27,169.00	-
		6,341,648.00	1,693,348.00
Current assets			
Inventories	7	801,106,803.03	429,115,552.78
Cash and bank balances	8	9,916,315.20	18,240,685.15
Short-term loans and advances	6	1,207,130,800.99	395,723,590.01
Other current assets	9	295,890.00	-
		2,018,449,809.22	843,079,827.94
TOTAL		2,024,791,457.22	844,773,175.94
Significant accounting policies	A		
Notes on financial statements	1-27		


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


M.S. Agarwal
Partner
M.No. 86580



For and on behalf of the Board of Directors


Manish Kumar Garg
(Director)
DIN:00117419


Jitender Kumar Garg
(Director)
DIN:00086161

Place : New Delhi
Date : 27 MAY 2014

OMAXE INDIA TRADE CENTRE PRIVATE LIMITED

(Formerly known as AVG Towers Private Limited)

10, Local Shopping Centre, Kalkaji, New Delhi-110019

CIN: U70100DL2011PTC217186

Statement of Profit and Loss for the year ended March 31, 2014

(Amount in Rupees)

Particulars	Note No.	Year Ended March 31, 2014	Year Ended March 31, 2013
Revenue			
Revenue from operations	10	556,382.10	140,600.00
Other Income	11	78,645,171.67	16,933,488.16
Total Revenue		79,201,553.77	17,074,088.16
Expenses			
Cost of material consumed, construction & other related project costs	12	371,991,250.25	93,587,863.78
Changes in inventories of projects in progress	13	(371,991,250.25)	(93,587,863.78)
Employee benefit expense	14	-	-
Finance cost	15	56,888.26	79,156.36
Other expenses	16	61,014,516.00	54,035,484.86
Total Expenses		61,071,404.26	54,114,641.22
Profit/(Loss) before tax		18,130,149.51	(37,040,553.06)
Tax expense:			
Current tax		3,627,435.00	-
		3,627,435.00	-
Profit/(Loss) for the year		14,502,714.51	(37,040,553.06)
Earning per equity share-Basic & diluted (in rupees) (Face value of Rs 10 each)	24	1,450.27	(3,704.06)
Significant accounting policies Notes on financial statements	A 1-27		

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

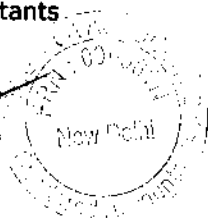
Chartered Accountants

Reg No.000561N

M.S. Agarwal

Partner

M.No. 86580



Place : New Delhi

Date : 27 MAY 2014

For and on behalf of the Board of Directors


Manish Kumar Garg
 (Director)
 DIN:00117415


Jitender Kumar Garg
 (Director)
 DIN:00086161

OMAXE INDIA TRADE CENTRE PRIVATE LIMITED
(Formerly known as AVG Towers Private Limited)
10, Local Shopping Centre, Kalkaji, New Delhi-110019
CIN: U70100DL2011PTC217186

Cash Flow Statement for the year ended March 31,2014

(Amount in Rupees)

Particulars	Year Ended March 31,2014	Year Ended March 31,2013
A) Cash flow from operating activities		
Profit/(Loss) for the year before tax	18,130,149.51	(37,040,553.06)
Adjustments for :		
Interest and finance charges	187,594,283.26	60,145,483.14
Interest income on bank deposit and others	(78,640,815.00)	(16,933,484.00)
Liabilities no longer required written back	(2,999.00)	-
Operating profit before working capital changes	127,080,618.77	6,171,446.08
Adjustments for working capital		
Inventories	(371,991,250.25)	(93,587,863.78)
Loans and advances	(811,407,210.98)	1,686,475.32
Trade payables and other liabilities	1,141,065,697.77	582,452,677.00
	(42,332,763.46)	490,551,288.54
Cash generated from/(used in) operating activities	84,747,855.31	496,722,734.62
Direct tax paid	(8,248,566.00)	(1,693,348.00)
Net cash generated from/ (used in) operating activities	76,499,289.31	495,029,386.62
B) Cash flow from investing activities		
Loan given (net)	-	(390,488,438.33)
Interest received on bank deposits & others	78,344,925.00	16,933,484.00
Movement in Bank deposits (net)	(27,169.00)	-
Net cash (used in)/generated from investing activities	78,317,756.00	(373,554,954.33)
C) Cash flow from financing activities		
Funds borrowed (net)	-	(49,368,714.00)
Interest and finance charges	(163,141,415.26)	(60,176,845.14)
Net cash (used in)/generated from financing activities	(163,141,415.26)	(109,545,559.14)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(8,324,369.95)	11,928,873.15
Opening balance of cash and cash equivalents	18,240,685.15	6,311,812.00
Closing balance of cash and cash equivalents	9,916,315.20	18,240,685.15

Note: 1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 'Cash Flow Statements'.

As per our report of even date attached
For and on behalf of
Doogar & Associates
Chartered Accountants
Reg. No. 000561N

M.S.Agarwal
Partner
M.No. 86580

Place :New Delhi
Date : **27 MAY 2014**

For and on behalf of the Board of Directors

Manish Kumar Garg
(Director)
DIN:00117415

Atender Kumar Garg
(Director)
DIN:00086161

Notes to the financial Statements for the year ended March 31, 2014

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. 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 the statement of profit and loss in the year in which incurred.

d. 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 receipt basis due to uncertainty of recovery of the same and is treated as part of operating income.

e. 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 and trading sale are valued at lower of cost or net realizable value. Cost includes cost of land, materials, construction, services and other related overheads.

f. 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 the project.

g. Amortization of Miscellaneous Expenses

Preliminary expenses are charged to revenue in the year in which they are incurred.

h. 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 carried forward losses under Tax laws, Deferred Tax assets are recognized only to the extent that there is virtual certainty of their realization.

i. 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.

j. 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 a straight line basis over the lease term.

k. 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.



A handwritten signature in black ink, followed by the date "10/03/2014" written below it.

1. SHARE CAPITAL

(Amount in Rupees)

Particulars	As at	
	March 31, 2014	March 31, 2013
Authorised		
10,00,000 (10,00,000) Equity Shares of Rs.10 each	10,000,000.00	10,000,000.00
	10,000,000.00	10,000,000.00
Issued, Subscribed & Paid up		
10,000 (10,000) Equity Shares of Rs.10 each fully paid up	100,000.00	100,000.00
Total	100,000.00	100,000.00

(Figures in bracket represent 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, 2014		As at March 31, 2013	
	Number of shares	Amount in rupees	Number of shares	Amount in rupees
Equity Shares of Rs 10 each fully paid				
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

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 dividend in Indian rupees. The dividend proposed by 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, 2014		As at March 31, 2013	
	Number	Amount	Number	Amount
Holding Company				
PAM Developers (India) Private Limited	9,000	90,000.00	9,000	90,000.00
	9,000	90,000.00	9,000	90,000.00

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

Particulars	As at March 31, 2014		As at March 31, 2013	
	No of Shares held	% Holding	No of Shares held	% Holding
Pam Developers (India) Private Limited	9,000	90%	9,000	90%
SAM India Bullidwell Private Limited	1,000	10%	1,000	10%

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 / disinvestment.

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 during the period of five years immediately preceding the balance sheet date.

2. RESERVES & SURPLUS

(Amount in Rupees)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Surplus as per Statement of Profit & Loss			
Balance at the beginning of the year		(37,311,958.06)		(271,405.00)
Add: Net profit / (loss) for the current year		14,502,714.51		(37,040,553.06)
Balance at the end of the year		(22,809,243.55)		(37,311,958.06)

3. OTHER LONG TERM LIABILITIES

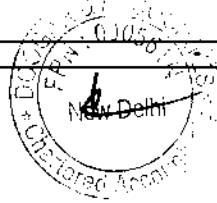
(Amount in Rupees)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non current trade payables (refer note no.4)		184,437,000.00	
Other non current liabilities (refer note no.5)		13,674,393.63		3,771,102.89
		198,111,393.63		218,947,602.89

4. TRADE PAYABLE

(Amount in Rupees)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non Current	Current	Non Current	Current
Trade Payables				
Deferred Payment Liabilities				
- in respect of land purchased on deferred credit terms	184,437,000.00	61,479,000.00	215,176,500.00	30,739,500.00
Other trade payables				
- due to micro small & medium enterprises*	-	-	-	-
- related parties #	-	97,358,268.00	-	-
- Others	-	11,035,923.00	-	11,623,005.00
	184,437,000.00	169,873,191.00	215,176,500.00	42,362,505.00
Less: Amount disclosed under the head "other long term liabilities" (Refer note no. 3)	184,437,000.00	-	215,176,500.00	-
# Due to fellow subsidiary company of holding company namely Volvo Properties Private Limited				
		169,873,191.00		42,362,505.00



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*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, 2014		As at March 31, 2013	
	Non current	Current	Non current	Current
Book Overdraft	-	4,787,083.20	-	-
Security deposit received	13,674,393.63	41,999,191.34	3,771,102.89	31,784,589.00
Advance from customers and others	-	1,560,934,362.60	-	547,862,734.11
Other Payables				
Statutory dues payable	-	8,534,252.00	-	2,347,873.00
Interest on trade payables	-	63,097,945.00	-	38,645,077.00
Others	-	163,282.00	-	34,753.00
	13,674,393.63	1,679,516,116.14	3,771,102.89	620,675,026.11
Less: Amount disclosed under the head "other long term liabilities" (refer note. No 3)	13,674,393.63	-	3,771,102.89	-
	-	1,679,516,116.14	-	620,675,026.11

6. LOANS & ADVANCES

(Amount in Rupees)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non Current	Current	Non Current	Current
(Unsecured, considered good unless otherwise stated)				
Loans and advances to				
Related parties	-	999,895,781.23	-	390,814,969.33
Other	-	-	-	4,157,838.00
Advances against goods, services & others considered good	-	204,268,763.00	-	-
Balance with government / statutory authorities	-	2,943,088.76	-	727,614.68
Direct taxes refundable	6,314,479.00	-	1,693,348.00	-
Prepaid expenses	-	23,168.00	-	23,168.00
	6,314,479.00	1,207,130,800.99	1,693,348.00	395,723,590.01

6.1 Particulars of loans and advances given to related parties are as under:

(Amount in Rupees)

Name of company	Relation	Balance as at	
		March 31, 2014	March 31, 2013
Omaxe Limited	Holding company of holding company	999,679,467.23	390,272,124.33
Pam Developers (India) Private Limited	Holding company	216,314.00	216,314.00
Volvo Properties Private Limited	Fellow subsidiary of holding company	-	326,531.00
Total		999,895,781.23	390,814,969.33

7. INVENTORIES

(Amount in Rupees)

Particulars	As at March 31, 2014	As at March 31, 2013
Projects in progress	801,106,803.03	429,115,552.78
	801,106,803.03	429,115,552.78

8. CASH & BANK BALANCES

(Amount in Rupees)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non current	Current	Non current	Current
Cash and cash equivalents				
Balances with banks in current accounts	-	3,717,526.75	-	1,824,343.15
Cash on hand	-	3,850,788.45	-	4,745,094.00
Cheques / drafts on hand	-	2,348,000.00	-	11,671,248.00
Other Bank Balances				
Held as margin money	27,169.00	-	-	-
	27,169.00	9,916,315.20	-	18,240,685.15
Less: Amount disclosed under the head "Other Assets" (Refer note no. 9)	27,169.00	-	-	-
	-	9,916,315.20	-	18,240,685.15

9. Other Assets

(Amount in Rupees)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non current	Current	Non current	Current
Other bank balances (refer note no.8)	27,169.00	-	-	-
Interest accrued on deposits & others	-	295,890.00	-	-
	27,169.00	295,890.00	-	-



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10. REVENUE FROM OPERATIONS

Particulars	(Amount In Rupees)	
	Year ended March 31, 2014	Year ended March 31, 2013
Income from real estate projects	556,382.10	140,600.00
	556,382.10	140,600.00

11. OTHER INCOME

Particulars	(Amount In Rupees)	
	Year ended March 31, 2014	Year ended March 31, 2013
Interest Income on bank deposit	2,169.00	-
Interest Income on others	78,638,646.00	16,933,484.00
Liabilities no longer required written back (net)	2,999.00	-
Miscellaneous Income	1,357.67	4.16
	78,645,171.67	16,933,488.16

12. COST OF MATERIAL CONSUMED, CONSTRUCTION & OTHER RELATED PROJECT COSTS

Particulars	(Amount In Rupees)	
	Year ended March 31, 2014	Year ended March 31, 2013
Inventory at the beginning of the year		
Land	-	-
Add: Incurred during the year		
Land development and other rights	206,000.00	18,756,002.00
Building material purchases	402,500.25	-
Construction cost	177,786,489.00	7,564,068.00
Power, fuel & other electrical costs	1,461,144.00	519,910.00
Employee cost	67,787.00	-
Rates & Taxes	306,931.00	-
Administration cost	4,223,004.00	6,681,557.00
Finance cost	187,537,395.00	60,066,326.78
	371,991,250.25	93,587,863.78
Less: Inventory at the close of the year		
Land	-	-
Cost of material consumed, construction & other related project cost.	371,991,250.25	93,587,863.78

13. CHANGES IN INVENTORIES OF PROJECTS IN PROGRESS

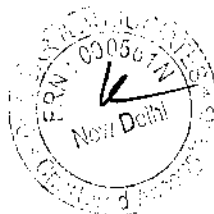
Particulars	(Amount In Rupees)	
	Year ended March 31, 2014	Year ended March 31, 2013
Inventory at the beginning of the year		
Projects in progress	429,115,552.78	335,527,689.00
	429,115,552.78	335,527,689.00
Inventory at the close of the year		
Projects in progress	801,106,803.03	429,115,552.78
	801,106,803.03	429,115,552.78
Changes in inventories of project in progress	(371,991,250.25)	(93,587,863.78)

14. EMPLOYEE BENEFIT EXPENSE

Particulars	(Amount In Rupees)	
	Year ended March 31, 2014	Year ended March 31, 2013
Staff welfare expenses	67,787.00	-
Less: Allocated to projects	67,787.00	-
	-	-

15. FINANCE COSTS

Particulars	(Amount In Rupees)	
	Year ended March 31, 2014	Year ended March 31, 2013
Interest on others	187,547,347.00	60,050,458.00
Bank charges	46,936.26	95,025.14
	187,594,283.26	60,145,483.14
Less: Allocated to projects	187,537,395.00	60,066,326.78
	56,888.26	79,156.36



16. OTHER EXPENSES

(Amount in Rupees)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
(a) Administrative expenses		
Rent	60,000.00	24,669.00
Rates and taxes	3,790.00	4,874.00
Travelling and conveyance	174,706.00	57,261.00
Legal and professional charges	3,655,775.00	6,469,545.00
Printing and stationery	86,446.00	90,442.00
Postage, telephone & courier	400.00	-
Auditors' remuneration	11,100.00	10,000.00
Miscellaneous expenses	309,677.00	126,221.86
	4,301,894.00	6,783,012.86
Less: Allocated to projects	4,223,004.00	6,681,557.00
Total (a)	78,890.00	101,455.86
(b) Selling Expenses		
Business promotion	725,461.00	3,070,212.00
Rebate & discount to customers	22,035.00	175,000.00
Commission	53,609,762.00	31,036,746.00
Advertisement and publicity	6,578,368.00	19,652,071.00
Total (b)	60,935,626.00	53,934,029.00
Total (a+b)	61,014,516.00	54,035,484.86

17. Contingent liabilities & commitments

(Amount in Rupees)

Particulars	As at March 31, 2014	As at March 31, 2013
Claims against the Company not acknowledged as debts	100,000.00	NIL
The Company may be contingently liable to pay damages/interest in the process of execution of real estate projects and for specific non-performance of certain agreements, the amount of which cannot presently be ascertained	Amount unascertainable	Amount unascertainable

18. 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.

19. 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.

20. 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 losses. These estimates being of a technical nature have been relied upon by the auditors.

21. Earnings and Expenditure in Foreign currency

(Amount in Rupees)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Earning in foreign currency	587,172.33	Nil
Expenditure in foreign currency	Nil	Nil

22. Auditor's Remuneration

(Amount in Rupees)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Audit Fees	10,000.00	10,000.00
Certification Charges	1,100.00	-
	11,100.00	10,000.00

23. 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'.

24. Earnings per share

(Amount in Rupees)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Profit/(Loss) after tax	14,502,714.51	(37,040,553.06)
Numerator used for calculating basic and diluted earnings per share	14,502,714.51	(37,040,553.06)
Equity shares outstanding as at the year end	10,000	10,000
Weighted average number of shares used as denominator for calculating basic & diluted earnings per share	10,000	10,000
Nominal value per share	10/-	10/-
Basic & diluted earning per share	1,450.27	(3,704.06)



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25. Related parties disclosures

A. Name of related parties:-

- (i) **Ultimate holding company**
Guild Builders Private Limited
- (ii) **Holding company of holding company**
Omaxe Limited
- (iii) **Holding company**
PAM Developer (India) Private Limited
- (iv) **Fellow subsidiary company of holding company**
Volvo Properties Private Limited

Related party transaction are as follows:-

Transactions	(Amount in Rupees)			
	Omaxe Limited (Holding company of holding company)	Pam Developers (India) Private Limited (Holding company)	Volvo Properties Private Limited (Fellow Subsidiary companies of holding company)	Total
A. Transactions made during the year				
Lease rent paid	36,000.00 (18,400.00)	Nil (Nil)	Nil (Nil)	36,000.00 (18,400.00)
Interest income on loan	78,309,879.00 (16,933,484.00)	Nil (Nil)	Nil (Nil)	78,309,879.00 (16,933,484.00)
Construction costs	Nil (Nil)	Nil (Nil)	156,603,380.00 (4,826,538.00)	156,603,380.00 (4,826,538.00)
B. Closing Balances				
Trade Payable	Nil (Nil)	Nil (Nil)	97,358,268.00 (Nil)	97,358,268.00 (Nil)
Loans and advance receivables	999,679,467.23 (390,272,124.33)	216,314.00 (216,314.00)	Nil (326,531.00)	999,895,781.23 (390,814,969.33)

Figures in bracket represent those of previous year

26. 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 networth.

The management of the company is of the opinion that upon recognition of revenue in subsequent years, the networth 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.

27. The company has regrouped or reclassified previous year figures where necessary to confirm with current year's classification.

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

M.S. Agarwal
Partner
M.No. 86580



Place : New Delhi

Date : 27 MAY 2014

For and on behalf of the Board of Directors

(Signature)
Manish Kumar Garg
(Director)
DIN:00117415

(Signature)
Jitender Kumar Garg
(Director)
DIN:00086161