

# DOOGAR & ASSOCIATES

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Pancham Realcon Private Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Pancham Realcon Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, 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

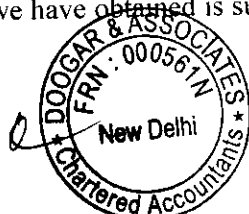
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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. 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, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss 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.

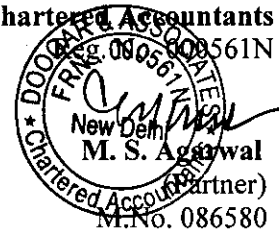
## Report on Other Legal and Regulatory Requirements

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, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, 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.

For Doogar & Associates  
Chartered Accountants

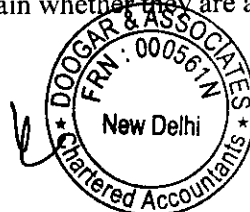


Place: New Delhi  
Date: 18 MAY 2013

## Annexure to the Auditors' Report

(Referred to paragraph 1 under Report on Other Legal and Regulatory Requirements of our report of even date to the members of Pancham Realcon Private Limited on the Financial Statements for the year ended 31st March, 2013)

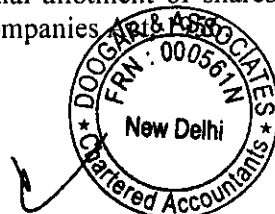
- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at the reasonable intervals, which in our opinion, is considered reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off a substantial part of fixed assets during the year, and accordingly, going concern is not affected.
- (ii) (a) According to the information and explanation given to us the inventory consists of projects in progress, construction material, development and other rights in identified land. Physically verification of inventory has been conducted at reasonable intervals by the management.
- (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 material discrepancies were 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) We have broadly reviewed the cost records maintained by the company pursuant to 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 and are of the opinion that prima-facie, the prescribed records have been maintained, however we have not made a detailed examination of such records to ascertain whether they are accurate or not.



- (ix) (a) According to the records of the Company, provident fund, employees' state insurance, income tax, sales tax, work contract tax, wealth tax, service tax, cess and other applicable material undisputed statutory dues have generally 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 became payable.
- (b) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income tax, sales tax, work contract tax, wealth tax, service tax, cess and other applicable material statutory dues which have not been deposited as on March 31, 2013 on account of any dispute except the followings:

Name of Statutes	Nature of Dues	Financial Year to which the matter pertains	Forum where dispute is pending	Outstanding Amount (in Rs.)
U.P. VAT Act, 2008	Sales Tax	March 31, 2011	Joint Commissioner (A) Trade Tax Range Allahabad (U.P.) [Entry Tax]	142,261
U.P. VAT Act, 2008	Sales Tax	March 31, 2011	Joint Commissioner (Appeal) Trade Tax Range Allahabad (U.P.)	2,797,976

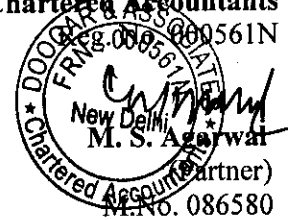
- (x) The Company does not have any accumulated losses as at March 31, 2013. The Company has incurred cash losses during the financial year covered by our audit and not in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions as at the balance sheet date.
- (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 a dealer or trader in securities. The Company has invested some funds in securities. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made there in. The investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given guarantees on behalf of other companies.
- (xvi) According to the information and explanations 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



- (xix) According to the information and explanations given to us , the Company has not issued any debentures during the period.
- (xx) The Company has not raised money by way of public issues during the period.
- (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 : 18 MAY 2013

**For Doogar & Associates  
Chartered Accountants**



**PANCHAM REALCON PRIVATE LIMITED**

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

**Balance Sheet as at March 31,2013**

(Amount in Rupees)


Particulars		Note No.	As at March 31,2013	As at March 31,2012
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholders' funds</b>			
	Share capital	1	500,000.00	500,000.00
	Reserves and surplus	2	6,919,835.43	8,058,674.74
			<b>7,419,835.43</b>	<b>8,558,674.74</b>
	<b>Non-current liabilities</b>			
	Long term borrowings	3	-	48,627.25
	Other long term liabilities	4	4,272,870.35	4,114,369.10
	Long term provisions	5	979,442.00	609,140.00
			<b>5,252,312.35</b>	<b>4,772,136.35</b>
	<b>Current liabilities</b>			
	Trade payables	6	31,632,827.09	31,271,739.53
	Other current liabilities	7	1,167,277,936.25	1,057,480,875.58
	Short term provisions	5	50,280.00	1,043,469.00
			<b>1,198,961,043.34</b>	<b>1,089,796,084.11</b>
	<b>TOTAL</b>		<b>1,211,633,191.12</b>	<b>1,103,126,895.20</b>
<b>II</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	Fixed assets			
	Tangible assets			
	Tangible assets	8	4,394,535.27	5,443,233.90
	Non-current investments	9	300,000.00	300,000.00
	Deferred tax asset	10	422,409.00	217,161.00
	Long term loans and advances	14	30,194,490.14	29,270,867.69
	Other non-current assets	15	61,105.00	57,009.00
			<b>35,372,539.41</b>	<b>35,288,271.59</b>
	<b>Current assets</b>			
	Inventories	11	842,051,320.95	744,343,399.70
	Trade receivables	12	47,691,518.31	43,702,725.58
	Cash and bank balance	13	10,922,410.57	17,539,795.07
	Short-term loans and advances	14	263,760,696.49	247,378,595.56
	Other current assets	15	11,834,705.39	14,874,107.70
			<b>1,176,260,651.71</b>	<b>1,067,838,623.61</b>
	<b>TOTAL</b>		<b>1,211,633,191.12</b>	<b>1,103,126,895.20</b>
	Significant accounting policies	A		
	Notes on financial statements	1-35		


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

  
**M.S. Agarwal**  
Partner  
M.No. 86580



For and on behalf of the Board of Directors

  
**Vineet Goyal**  
(Director)  
DIN: 03575020

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

Place : New Delhi  
Date : 18 MAY 2013

**PANCHAM REALCON PRIVATE LIMITED**

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


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

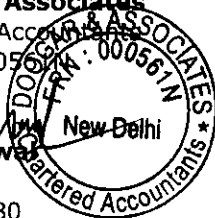
(Amount in Rupees)

Particulars	Note No.	Year ended March 31, 2013	Year ended March 31, 2012
<b>Revenue</b>			
Revenue from operations	16	5,886,055.47	80,882,995.29
Other Income	17	624,091.48	14,547.62
<b>Total Revenue</b>		<b>6,510,146.95</b>	<b>80,897,542.91</b>
<b>Expenses</b>			
Cost of material consumed, construction & other related project cost	18	55,322,320.55	148,060,940.00
Reversal of income from real estate due to area cancellation		317,935.52	-
Changes in inventories of project in progress	19	(52,199,172.09)	(71,117,600.73)
Employees benefit expenses	20	771,163.98	(232,883.98)
Finance costs	21	129,002.21	133,585.77
Depreciation and amortization expense	8	680,229.54	703,779.64
Other expenses	22	2,809,158.55	323,624.45
<b>Total Expenses</b>		<b>7,830,638.26</b>	<b>77,871,445.15</b>
<b>Profit/ (Loss) before tax</b>		<b>(1,320,491.31)</b>	<b>3,026,097.76</b>
Tax expense:			
Current tax		-	1,000,000.00
Tax adjustment of earlier years		23,596.00	(212,733.00)
Deferred tax charge/(credit)		(205,248.00)	(100,249.00)
		<b>(181,652.00)</b>	<b>687,018.00</b>
<b>Profit / (Loss) for the year</b>		<b>(1,138,839.31)</b>	<b>2,339,079.76</b>
Earnings per equity share-Basic & diluted (in rupees) (Face value of Rs 10 each)	33	(22.78)	46.78
Significant accounting policies	A		
Notes on financial statements	1-35		

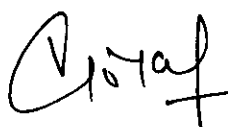
The notes referred to above form an integral part of financial statements.

As per our report of even date attached

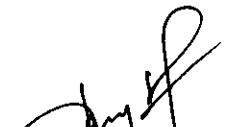
For and on behalf of  
**Doogar & Associates**  
 Chartered Accountants  
 Reg No. 000561/A : 000561/N  
  
**M.S. Agarwal**  
 Partner  
 M.No. 86580



For and on behalf of the Board of Directors



**Vineet Goyal**  
 (Director)  
 DIN: 03575020



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

Place : New Delhi,  
 Date : 18 MAY 2013

**PANCHAM REALCON PRIVATE LIMITED**

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

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

(Amount in Rupees)

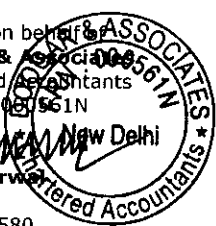
Particulars	Year Ended March 31,2013	Year Ended March 31,2012
<b>A) Cash flow from operating activities</b>		
<b>Profit for the year before tax</b>	<b>(1,320,491.31)</b>	<b>3,026,097.76</b>
Adjustments for :		
Interest and finance charges	21,770,976.37	230,983.39
Interest received	(17,608.00)	(14,142.00)
Depreciation	1,089,254.88	1,139,270.48
Leave encashment	210,780.00	(118,467.00)
Gratuity	165,462.00	(131,892.00)
<b>Operating profit before working capital changes</b>	<b>21,898,373.94</b>	<b>4,131,850.63</b>
<b>Adjustments for Working capital</b>		
Inventories	(97,707,921.25)	(137,881,412.99)
Loans and advances	(17,305,686.38)	7,884,802.09
Trade payable and other liabilities	110,547,066.86	124,165,918.46
Other assets	3,039,402.31	13,004,779.16
Trade receivables	(3,988,792.73)	(24,471,030.96)
	<b>(5,415,931.19)</b>	<b>(17,296,944.24)</b>
<b>Cash from (used in) operating activities</b>	<b>16,482,442.75</b>	<b>(13,165,093.61)</b>
Direct tax paid	(1,022,762.00)	(871.00)
Direct tax refund	-	218,620.00
<b>Net cash (used in)/generated from operating activities</b>	<b>15,459,680.75</b>	<b>(12,947,344.61)</b>
<b>B) Cash flow from investing activities</b>		
Purchase of fixed assets	(40,556.25)	(1,470,842.30)
Movement in bank deposits (net)	(4,096.00)	
Interest received	17,608.00	14,142.00
<b>Net cash (used in)/generated from investing activities</b>	<b>(27,044.25)</b>	<b>(1,456,700.30)</b>
<b>C) Cash flow from financing activities</b>		
Proceeds from borrowing	-	-
Repayment of borrowing	(277,075.59)	(253,348.62)
Interest and finance charges paid	(21,772,945.41)	(232,639.17)
<b>Net cash (used in)/generated from financing activities</b>	<b>(22,050,021.00)</b>	<b>(485,987.79)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(6,617,384.50)</b>	<b>(14,890,032.70)</b>
<b>Opening balance of cash and cash equivalents</b>	<b>17,539,795.08</b>	<b>32,429,827.78</b>
<b>Closing balance of cash and cash equivalents</b>	<b>10,922,410.58</b>	<b>17,539,795.08</b>

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'.

Note:2 Depreciation includes amount charged to cost of material consumed,construction and other related project costs.

As per our report of even date attached

For and on behalf of  
**Doogar & Associates**  
 Chartered Accountants  
 Reg. No. 03/561N  
 New Delhi  
**M.S. Agarwal**  
 Partner  
 M.No. 86580



For and on behalf of the Board of Directors

*Vineet Goyal*  
**Vineet Goyal**  
 (Director)  
 DIN: 03575020

*Marish Kumar Garg*  
**Marish Kumar Garg**  
 (Director)  
 DIN:00117415

Place : New Delhi  
 Date : 18 MAY 2013



**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. 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. 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.

**e. 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.

**f. Revenue recognition**

**i. Real estate projects**

Revenue from real estate projects is recognized on the 'Percentage of Completion method' (POC) of accounting.

Revenue under the POC method is recognized on the basis of percentage of actual costs incurred, including land, construction and development cost of projects under execution subject, to such actual cost being 30 percent or more of the total estimated cost of projects.

The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on real estate projects including land, construction and development cost bears to the total estimated cost of the project.

Effective from 1st April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised) 2012" (referred to as "Guidance Note"), all projects commencing on or after the said date or projects where revenue is recognised for the first time on or after the said date, Revenue from real estate projects has been 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 disclosed under other assets 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 disclosed as advance received from customers under other current liabilities. Any billed amount against which revenue is recognised but amount not collected is disclosed under trade receivable.

**ii. Interest due on delayed payments by customers is accounted on receipts basis due to uncertainty of recovery of the same.**

**g. Inventories**

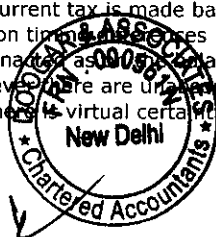
- i. Building material and consumable stores are valued at cost which is determined on the basis of the 'First in First out' method.
- ii. Land is valued at cost which is determined on average method. Cost includes cost of acquisition and all other related costs incurred.
- iii. Completed real estate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

**h. 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 and included in the project in progress have continued to be carried forward as such.

**i. 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 at the balance sheet date. Deferred tax Assets are recognized only when there is a reasonable certainty of their realization Where there are unearned 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.



*[Handwritten Signature]*

**j. Provisions for contingent liabilities and contingent assets**

A provision is recognized when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- 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.

**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.

**l. Retirement Benefits**

- Contributions payable by the Company to the concerned government authorities in respect of provident fund family pension fund and employee state insurance are charged to the statement of profit and loss.
- Provision for gratuity is made based on actuarial valuation in accordance with Revised AS-15.
- Provision for leave encashment in respect of unavailed leave standing to the credit of employees is made on actuarial basis in accordance with revised AS-15.

**m. 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.

**n. 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.

**o. Foreign currency transactions**

- Foreign currency transactions are recorded at exchange rates prevailing on the date of respective transactions.
- Current assets and current liabilities in foreign currencies existing at balance sheet date are translated at year-end rates.
- Foreign currency translation differences related to acquisition of imported fixed assets are adjusted in the carrying amount of the related fixed assets. All other foreign currency gains and losses are recognized in the profit and loss account.
- Foreign Exchange difference arising as a monetary item that, in substance, form part of company's net investment is a non-integral foreign operation and is accumulated in a Foreign Currency Translation Reserve in the financial statement until the disposal of net investment at which time it is recognized as income or expenses.

**p. 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.

**1. SHARE CAPITAL**

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Number	Amount in rupees	Number	Amount in rupees
<b>Authorised</b>				
50,000 (50,000) Equity Shares of Rs.10 each		500,000.00		500,000.00
		<b>500,000.00</b>		<b>500,000.00</b>
<b>Issued Subscribed &amp; Paid up</b>				
50,000 (50,000) Equity Shares of Rs.10 each		500,000.00		500,000.00
<b>Total</b>		<b>500,000.00</b>		<b>500,000.00</b>

Figures in bracket represent those of previous year

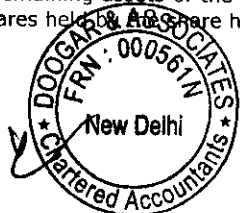
**1.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year**

(Amount in Rupees)

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

**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 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 shareholders.



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**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
<b>Holding company</b>				
Omaxe Limited	25,500	255,000.00	25,500	255,000.00
	<b>25,500</b>	<b>255,000.00</b>	<b>25,500</b>	<b>255,000.00</b>

**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%
Shamba Developers Private Limited	13,000	26%	13,000	26%
Panchi Developers 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 / 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, 2013	As at March 31, 2012
<b>Surplus as per Statement of Profit &amp; Loss</b>		
Balance at the beginning of the year	8,058,674.74	5,719,594.98
Add: Net profit/(loss) for the current year	(1,138,839.31)	2,339,079.76
<b>Balance at the end of the year</b>	<b>6,919,835.43</b>	<b>8,058,674.74</b>

**3. Long Term Borrowings**

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non current	Current maturities	Non current	Current maturities
<b>Secured</b>				
Vehicle loan from Non banking financial institutions (Secured by hypothecation of the vehicle purchased)	-	48,627.25	48,627.25	277,075.59
Less: Amount disclosed under the head "other current liabilities" (Refer note no. 7)	-	48,627.25	-	277,075.59
	-	-	<b>48,627.25</b>	-

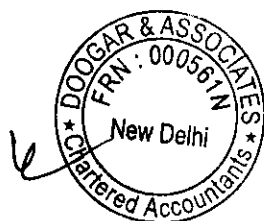
**3.1 The year wise repayment schedule of long term borrowings are as under:**

Particulars	Outstanding as at March 31, 2013	Year wise repayment schedule
		2013-14
Vehicle loan from Non banking financial institutions	48,627.25	48,627.25
<b>Total Long Term borrowings</b>	<b>48,627.25</b>	<b>48,627.25</b>

**4. OTHER LONG TERM LIABILITIES**

(Amount in Rupees)

Particulars	As at March 31, 2013	As at March 31, 2012
Other non current liabilities (Refer note no.7)	4,272,870.35	4,114,369.10
	<b>4,272,870.35</b>	<b>4,114,369.10</b>



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**5. PROVISIONS**

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Long term	Short term	Long term	Short term
<b>Provision for employees benefits</b>				
Leave Encashment	613,546.00	40,695.00	401,309.00	42,152.00
Gratuity	365,896.00	9,585.00	207,831.00	2,188.00
<b>Total(a)</b>	<b>979,442.00</b>	<b>50,280.00</b>	<b>609,140.00</b>	<b>44,340.00</b>
<b>Others Provisions</b>				
Provision for income tax (net of advances)	-	-	-	999,129.00
<b>Total(b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>999,129.00</b>
<b>Total(a+b)</b>	<b>979,442.00</b>	<b>50,280.00</b>	<b>609,140.00</b>	<b>1,043,469.00</b>

**6. TRADE PAYABLE**

(Amount in Rupees)

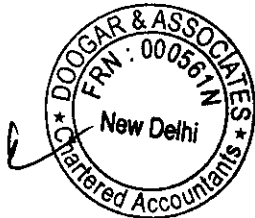
Particulars	As at March 31,2013	As at March 31,2012
<b>Trade Payables</b>		
Other trade payables		
- due to micro small & medium enterprises*	-	-
-Fellow subsidiary companies#	408,030.00	-
- others	31,224,797.09	31,271,739.53
#Jagdamba Contractors and Builders Limited	31,632,827.09	31,271,739.53
	<b>31,632,827.09</b>	<b>31,271,739.53</b>

\*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.

**7. OTHER LIABILITIES**

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Non Current	Current	Non Current	Current
Current maturities of long term borrowings (refer note.3)		48,627.25		277,075.59
Interest accrued but not due on borrowings		333.62		2,302.66
Book overdraft		1,184,233.29		-
Security deposit received	4,272,870.35	1,400,000.00	4,114,369.10	1,400,000.00
Advance from related parties		735,094,106.00		775,909,753.38
Advance from customers and others		428,548,508.09		279,102,204.95
Other Payables				
Employee related liabilities		636,157.00		553,010.00
Statutory dues payable		315,409.00		185,967.00
Others		50,562.00		50,562.00
	<b>4,272,870.35</b>	<b>1,167,277,936.25</b>	<b>4,114,369.10</b>	<b>1,057,480,875.58</b>
Less: Amount disclosed under the head "other long term liabilities" (Refer note no. 4)	4,272,870.35	-	4,114,369.10	-
	<b>-</b>	<b>1,167,277,936.25</b>	<b>-</b>	<b>1,057,480,875.58</b>



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8. Fixed Assets

(Amount in Rupees)

Name 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, 2013	As at March 31, 2012
<b>Tangible</b>										
Plant and machinery	3,497,287.89	40,556.25	-	3,537,844.14	638,127.66	409,025.34	-	1,047,153.00	2,490,691.14	2,859,160.23
Office equipments	336,067.21	-	-	336,067.21	93,898.52	35,043.05	-	128,941.57	207,125.64	242,168.69
Furniture & fixture	1,334,111.00	-	-	1,334,111.00	260,040.48	234,965.92	-	495,006.40	839,104.60	1,074,070.52
Vehicles	1,707,856.00	-	-	1,707,856.00	550,272.42	363,388.20	-	914,260.62	793,595.38	1,157,583.58
Computer and printers	231,550.00	-	-	231,550.00	121,299.12	46,232.37	-	167,531.49	64,018.51	110,250.88
<b>Total</b>	<b>7,106,872.10</b>	<b>40,556.25</b>	<b>-</b>	<b>7,147,428.35</b>	<b>1,663,638.20</b>	<b>1,089,254.88</b>	<b>-</b>	<b>2,752,893.08</b>	<b>4,394,535.27</b>	<b>5,443,233.90</b>
Previous year	5,636,029.80	1,470,842.30	-	7,106,872.10	524,367.72	1,139,270.48	-	1,663,638.20	5,443,233.90	5,111,662.08

Notes:

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Depreciation has been charged to		
Cost of material consumed, construction & other related project cost (Refer note no.18)	409,025.34	435,490.84
Statement of Profit & Loss	680,229.54	703,779.64
	<b>1,089,254.88</b>	<b>1,139,270.48</b>

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## 9. INVESTMENTS

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
<b>Investments in equity instruments</b>				
Long term, trade, unquoted, at cost				
<b>In Subsidiary companies</b>				
10,000 (10,000) Equity shares of Aviral Colonisers Private Limited Rs 10 each		100,000.00		100,000.00
10,000 (10,000) Equity shares of Satkar Colonisers Private Limited Rs 10 each		100,000.00		100,000.00
10,000 (10,000) Equity shares of Utkrist Real Estate & Associates Private Limited Rs 10 each		100,000.00		100,000.00
Note: All the above shares are fully paid up		<b>300,000.00</b>		<b>300,000.00</b>

Figures in bracket represent those of previous year

## 10. DEFERRED TAX ASSETS

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
<b>Deferred tax asset</b>				
On account of preliminary expenses		-		309.00
Expense allowed on payment basis		5,227.00		8,343.31
Difference between book and tax base of fixed assets		98,998.00		6,583.39
Retirement benefits		318,184.00		201,925.30
		<b>422,409.00</b>		<b>217,161.00</b>

## 11. INVENTORIES

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
Building Material and Consumables		9,627,506.20		13,334,549.04
Land		422,967,991.00		373,752,199.00
Project in progress		409,455,823.75		357,256,651.66
		<b>842,051,320.95</b>		<b>744,343,399.70</b>

## 12. TRADE RECEIVABLES

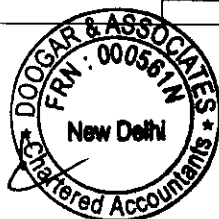
(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
(Unsecured, considered good unless otherwise stated)				
Outstanding for a period exceeding six months from the date they are due for payment		-		-
Others		47,691,518.31		43,702,725.58
		<b>47,691,518.31</b>		<b>43,702,725.58</b>

## 13. CASH & BANK BALANCES

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
<b>Cash and cash equivalents</b>				
Balances with banks in current accounts	-	2,536,667.57	-	7,090,136.07
Cash on hand	-	8,385,743.00	-	8,835,727.00
Cheques drafts on hand	-	-	-	1,613,932.00
	-	<b>10,922,410.57</b>	-	<b>17,539,795.07</b>
<b>Other Bank Balances</b>				
Held as margin money	61,105.00	-	57,009.00	-
	<b>61,105.00</b>	-	<b>57,009.00</b>	-
Amount disclosed under "other current assets" (Refer note no. 15)	61,105.00	-	57,009.00	-
	-	<b>10,922,410.57</b>	-	<b>17,539,795.07</b>



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#### 14. 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	265,517.00	-	265,517.00	-
Advances against goods, services & others				
Fellow subsidiary companies	-	26,162,738.63	-	22,111,446.56
Other related parties* \$	-	2,364,414.00	-	2,364,414.00
Others \$	29,907,698.80	232,400,561.19	28,965,389.61	221,094,334.18
Balance with Government / statutory authorities	-	2,809,327.54	-	1,769,587.38
Direct Tax Refund (net of provision)	37.00	-	-	-
Prepaid Expenses	21,237.34	23,655.13	39,961.08	38,813.44
*Beautiful Landbase Private Limited				
	<b>30,194,490.14</b>	<b>263,760,696.49</b>	<b>29,270,867.69</b>	<b>247,378,595.56</b>

#### 14.1 Particulars of Advances against goods, services & others to fellow subsidiaries companies :

(Amount in Rupees)

Name of companies	Nature of Relation	Balance as at	
		Year ended March 31, 2013	Year ended March 31, 2012
Jagdamba Contractors and Builders Limited	Fellow subsidiary company	14,782,359.09	12,150,469.00
Volvo Properties Private Limited	Fellow subsidiary company	11,380,379.54	9,960,977.56
<b>Total</b>		<b>26,162,738.63</b>	<b>22,111,446.56</b>

\$ Advances include advances against collaboration amounting to Rs.25,55,07,590.91 (Rs. 24,31,43,163.77) paid to certain parties (including subsidiaries/associates/related parties) for acquiring land for development of real estate projects, either on collaboration basis or self-development basis.

#### 15. OTHER ASSETS

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
Non current bank balances (refer note no 14)	61,105.00	-	57,009.00	-
Unbilled receivables	-	11,834,705.39	-	14,874,107.70
	<b>61,105.00</b>	<b>11,834,705.39</b>	<b>57,009.00</b>	<b>14,874,107.70</b>

#### 16. REVENUE FROM OPERATIONS

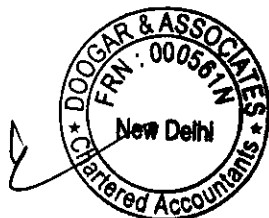
(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Income from real estate projects	-	77,971,899.55
Income from trading goods	5,744,781.92	2,469,030.51
Other Operating Income	141,273.55	442,065.23
	<b>5,886,055.47</b>	<b>80,882,995.29</b>

#### 17. OTHER INCOME

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Interest income on bank deposit	17,608.00	5,430.00
Interest income on others	-	8,712.00
Miscellaneous income	606,483.48	405.62
	<b>624,091.48</b>	<b>14,547.62</b>



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**18. COST OF MATERIAL CONSUMED, CONSTRUCTION & OTHER RELATED PROJECT COST**

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
<b>Inventory at the beginning of the year</b>		
Building materials and consumables	13,334,549.04	27,215,233.77
Land	373,752,199.00	293,107,702.00
	<b>387,086,748.04</b>	<b>320,322,935.77</b>
<b>Add: Incurred during the year</b>		
Land development and other rights	49,215,792.00	80,644,497.00
Building materials purchases	27,610.00	7,392,380.83
Construction cost	11,762,872.39	69,316,742.00
Rates and taxes	320,628.00	3,350,764.00
Depreciation	409,025.34	435,490.84
Power, fuel and other electricals costs	1,509,431.00	3,736,609.54
Repairs and maintenance-plant and machinery	28,917.00	22,138.00
Employee cost	9,402,327.00	14,352,085.00
Administration expenses	6,512,492.82	17,163,713.43
Selling expenses	-	18,312,934.01
Finance costs	21,641,974.16	97,397.62
	<b>100,831,069.71</b>	<b>214,824,752.27</b>
<b>Less: Inventory at the close of the year</b>		
Building materials and consumables	9,627,506.20	13,334,549.04
Land	422,967,991.00	373,752,199.00
	<b>432,595,497.20</b>	<b>387,086,748.04</b>
	<b>55,322,320.55</b>	<b>148,060,940.00</b>

**19. CHANGES IN INVENTORIES OF PROJECT IN PROGRESS**

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
<b>Inventory at the beginning of the year</b>		
Projects in progress	357,256,651.66	286,139,050.93
	<b>357,256,651.66</b>	<b>286,139,050.93</b>
<b>Inventory at the close of the year</b>		
Projects in progress	409,455,823.75	357,256,651.66
	<b>409,455,823.75</b>	<b>357,256,651.66</b>
Changes in inventory	<b>(52,199,172.09)</b>	<b>(71,117,600.73)</b>

**20. EMPLOYEES BENEFIT EXPENSE**

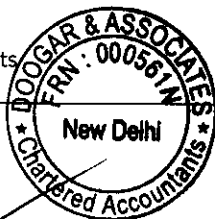
(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
Salaries, wages, allowances and bonus	9,721,019.00	13,246,011.00
Contribution to provident and other funds	38,400.00	38,536.00
Staff welfare expenses	414,071.98	834,654.02
	<b>10,173,490.98</b>	<b>14,119,201.02</b>
Less: Allocated to projects	9,402,327.00	14,352,085.00
	<b>771,163.98</b>	<b>(232,883.98)</b>

**21. FINANCE COSTS**

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
Interest on		
term loans	16,011.37	50,631.60
others	21,622,706.00	-
Bank charges	132,259.00	180,351.79
	<b>21,770,976.37</b>	<b>230,983.39</b>
Less: Allocated to projects	21,641,974.16	97,397.62
	<b>129,002.21</b>	<b>133,585.77</b>



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**22. OTHER EXPENSES**

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
<b>a) Administrative expenses</b>		
Rent	746,753.52	1,003,772.00
Rates and taxes	13,913.00	-
Insurance	26,298.91	19,147.70
Repairs and Maintenance-building	6,141.00	51,702.00
Repairs and Maintenance-others	133,504.00	288,290.00
Vehicle running and maintenance	493,616.00	787,802.00
Travelling and conveyance	835,819.00	1,058,256.00
Legal and professional charges	3,994,085.21	13,611,249.00
Printing and stationery	193,504.00	-
Postage telephone & courier	63,465.00	255,303.00
Auditors' remuneration	50,000.00	58,607.00
Miscellaneous expenses	76,108.93	153,208.18
	<b>6,633,208.57</b>	<b>17,287,336.88</b>
Less: Allocated to projects	6,512,492.82	17,163,713.43
<b>Total (a)</b>	<b>120,715.75</b>	<b>123,623.45</b>
<b>Selling Expenses</b>		
Business promotion	208,416.94	1,824,170.40
Rebate & discount to customers	-	200,001.00
Commission	99,017.00	8,644,132.00
Advertisement and publicity	2,381,008.86	7,844,631.61
	<b>2,688,442.80</b>	<b>18,512,935.01</b>
Less: Allocated to projects	-	18,312,934.01
<b>Total (b)</b>	<b>2,688,442.80</b>	<b>200,001.00</b>
<b>Total (a+b)</b>	<b>2,809,158.55</b>	<b>323,624.45</b>

**23. Contingent Liabilities and commitments**

(Amount in Rupees)

Particulars	As at March 31,2013	As at March 31,2012
Claim against company not acknowledged as debts	520,000.00	-
Bank guarantees given by holding company namely M/s Omaxe Limited on behalf of the	1,000,000.00	1,000,000.00
Disputed tax amounts		
-Sales Tax	3,387,369.00	1,974,190.00

24. 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.

25. 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.

26. 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.

**27. Earning and Expenditure in foreign currency**

(Amount in Rupees)

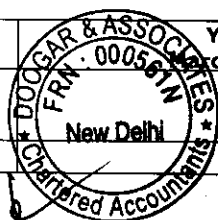
Particulars	Year ended March 31,2013	Year ended March 31,2012
Earning in foreign currency	-	-
Expenditure in foreign currency	-	2,414,886.02

**28. Auditors' remuneration**

(Amount in Rupees)

Particulars	Year ended March 31,2013 *	Year ended March 31,2012
Audit Fees	50,000.00	56,180.00
Certification Fees	-	2,427.00
<b>Total</b>	<b>50,000.00</b>	<b>58,607.00</b>

\* excluding service tax of Rs 6,180/-



*Goyal* *TM*

### 29. Segment Reporting

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

30. In earlier year, the construction of real estate project of the Company have been suspended due to stay given on construction on this project by Hon'ble High Court on the basis of public interest litigation. The management of the company is of the opinion that stay on construction shall be vacated in due course of time, therefore, on the basis of going concern assumption, no adjustment in respect of revenue / profits already booked before such stay and customers advances related to these projects have been made in the books of accounts.

### 31. 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
<b>Minimum lease payments</b>		
i) Payable not later than one year	-	724,815.00
ii) Payable later than one year and not later than five years	-	-
iii) Payable later than five years	-	-
	-	<b>724,815.00</b>

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. 746,753.52 (P.Y. Rs.1,003,772).

### 32. Employee Benefit

#### A. Gratuity

The Company does not maintain any fund to pay for Gratuity.

i) Amount recognized in statement of Profit & Loss is as under:

Description	(Amount in Rupees)	
	Year ended March 31, 2013	Year ended March 31, 2012
Current service cost	117,944.00	94,182.00
Interest cost	16,802.00	29,062.00
Expected return on planned assets	-	-
Net actuarial (gain)/loss recognized during the year	30,716.00	(255,136.00)
Total	<b>165,462.00</b>	<b>(131,892.00)</b>

ii) Movement in the liability recognized in Balance Sheet is as under:

Description	(Amount in Rupees)	
	Year ended March 31, 2013	Year ended March 31, 2012
Present value of obligation at the beginning of the year	210,019.00	341,911.00
Current service cost	117,944.00	94,182.00
Interest cost	16,802.00	29,062.00
Benefit paid	-	-
Actuarial (gain) / loss on obligation	30,716.00	(255,136.00)
Present value of obligation as at the end of year	<b>375,481.00</b>	<b>210,019.00</b>

iii) Net assets / liability recognized in Balance Sheet as at 31<sup>st</sup> March, 2013

Description	(Amount in Rupees)	
	As at March 31, 2013	As at March 31, 2012
Current liability (Amount due within one year)	9,585.00	2,188.00
Non-Current liability (Amount due over one year)	365,896.00	207,831.00
Present value of obligation as the end of the year	<b>375,481.00</b>	<b>210,019.00</b>
Fair value of plan assets at the end of the year	-	-
(Assets)/Liabilities recognized in the Balance Sheet.	<b>375,481.00</b>	<b>210,019.00</b>

iv) For determination of gratuity liability of the Company the following actuarial assumption were used.

Description	Year ended March 31, 2013	Year ended March 31, 2012
Discount rate	8.00%	8.50%
Future salary increase	5.50%	6.00%
Expected rate of return on planned assets	0.00%	0.00%
Method used	Projected unit credit actuarial method	Projected unit credit actuarial method



*Chotal JM*

**B. Leave Encashment**

Provision for leave encashment in respect of unavailed leaves standing to the credit of employees is made on actuarial basis. The Company does not maintain any fund to pay for leave encashment.

**i) Amount recognized in statement of Profit & Loss is as under:-**

(Amount in Rupees)

Description	Year ended March 31, 2013	Year ended March 31, 2012
Current service cost	215,613.00	213,800.00
Interest cost	35,477.00	47,764.00
Net actuarial (gain)/loss recognized during the year	5,661.00	(172,898.00)
Recognised in statement of Profit & Loss	<b>256,751.00</b>	<b>88,666.00</b>

**ii) Amount recognized in the Balance Sheet as at 31<sup>st</sup> March, 2013**

(Amount in Rupees)

Description	As at March 31, 2013	As at March 31, 2012
Present value of obligation as at 31 <sup>st</sup> March, 2013	654,241.00	443,461.00

**iii) Movement in the liability recognized in Balance Sheet is as under:**

(Amount in Rupees)

Description	Year ended March 31, 2013	Year ended March 31, 2012
Present value of obligation at the beginning of the year	443,461.00	561,928.00
Interest cost	35,477.00	47,764.00
Current service cost	215,613.00	213,800.00
Benefits paid	(45,971.00)	(207,133.00)
Actuarial (gain)/loss on obligation	5,661.00	(172,898.00)
Present value of obligation at the end of the year	<b>654,241.00</b>	<b>443,461.00</b>

**iv) For determination of liability in respect of leave encashment, the Company has used the following actuarial assumption.**

Description	Year ended March 31, 2013	Year ended March 31, 2012
Discount rate	8.00%	8.50%
Future salary increase	5.50%	6.00%
Actuarial method used	Projected unit credit actuarial method	Projected unit credit actuarial method

**v) Bifurcation of PBO at the end of year as per revised Schedule VI to the companies Act.**

(Amount in Rupees)

Description	Year ended March 31, 2013	Year ended March 31, 2012
Current liability (Amount due within one year)	40,695.00	42,152.00
Non-Current liability (Amount due over one year)	613,546.00	401,309.00
Total PBO at the end of year	<b>654,241.00</b>	<b>443,461.00</b>

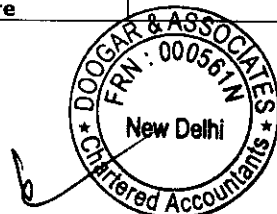
**C. Provident Fund**

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Misc. Provision Act, 1952. This is post employment benefit and is in the nature of defined contribution plan.

**33. Earnings per share**

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit / (Loss) after tax	(1,138,839.31)	2,339,079.76
Numerator used for calculating basic and diluted earnings per share	(1,138,839.31)	2,339,079.76
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/-
<b>Basic &amp; diluted earnings per share</b>	<b>(22.78)</b>	<b>46.78</b>



*Pratap*

**34. Related parties disclosures**

**A. Name of related parties:-**

**(i) Holding Company**

1. Omaxe Limited

**(ii) Fellow Subsidiaries companies**

1. Jagdamba Contractors and Builders Limited
2. Volvo Properties Private Limited
3. Reliable Manpower Solutions Limited
4. Navratan Tech Build Private Limited
5. Omaxe Infrastructure Limited

**(iii) Subsidiaries companies**

1. Aviral Colonizers Private Limited
2. Satkar Colonizers Private Limited
3. Utkrist Realestate and Associates Private Limited

**(iv) Entities over which key management personnel of holding company and/or their relatives ex:**

1. Stronghold Properties Private Limited
2. Puru Builders Private Limited
3. Beautiful Landbase Private Limited

**B. Summary of transactions with related parties are as under:**

(Amount in Rupees)

Transaction	Holding Company	Fellow subsidiary companies					Entities over which key managerial personnel of holding company and/or their relatives exercises significant influence	Total
	Omaxe Limited	Jagdamba Contractors and Builders Limited	Volvo Properties Private Limited	Omaxe Infrastructure Limited	Reliable Manpower Solutions Limited	Navratan Tech Build Private Limited	Beautiful Landbase Private Limited	
<b>A. Transactions made during the year</b>								
<b>Lease rent paid</b>	24,000.00 (26,472.00)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	24,000.00 (26,472.00)
<b>Income from trading goods</b>	NII (NII)	4,379,972.26 (2,463,491.51)	1,364,809.66 (5,539.00)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	5,744,781.92 (2,469,030.51)
<b>Reimbursement of finance costs</b>	21,622,178.00 (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	21,622,178.00 -
<b>Construction cost</b>	NII (NII)	7,166,012.00 (59,657,437.00)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	7,166,012.00 (59,657,437.00)
<b>B. Closing balances</b>								
<b>Trade receivables</b>	NII (NII)	1,543,035.98 (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	NII (NII)	1,543,035.98 (NII)
<b>Amount receivable</b>	NII (NII)	14,782,359.09 (12,150,469.00)	11,380,379.54 (9,960,977.56)	NII (NII)	NII (NII)	NII (NII)	2,364,414.00 (2,364,414.00)	28,527,152.63 (24,475,860.56)
<b>Balance payable</b>	735,094,106.00 (488,930,673.38)	408,030.00 (NII)	NII (NII)	NII (8,200,000.00)	125,800,000.00 (125,800,000.00)	NII (152,979,080.00)	NII (NII)	861,302,136.00 (775,909,753.38)

Figures in bracket represent those of the previous year.

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

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

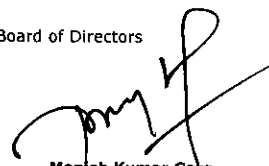
As per our report on even date attached

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

New Delhi  
M.S. Agarwal  
Partner  
M.No. 86580

For and on behalf of the Board of Directors

  
Vineet Goyal  
(Director)  
DIN: 03575020

  
Manish Kumar Garg  
(Director)  
DIN:00117415

Place : New Delhi  
Date : 18 MAY 2013