

# DOOGAR & ASSOCIATES

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Garv Buildtech Private Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Garv Buildtech 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

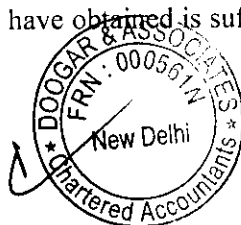
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956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

Place: New Delhi  
Date: 18 MAY 2013

For Doogar & Associates  
Chartered Accountants  
Reg. No. 000561N  
New Delhi  
M. S. Agarwal  
(Partner)  
M.No. 086580

## **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 Garv Buildtech 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 project in progress, land and related rights. 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 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 Company (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) (a) According to the records of the Company, all applicable 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.
- (x) The Company has accumulated losses which are more than 50% of its net worth at the end of financial year . The Company has incurred cash losses during the financial year covered by our audit and 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 and 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 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.
- (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 guarantees on behalf of other companies.
- (xvi) According to the information and explanation given to us and records examined by us, no term loans have been raised during the period.
- (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) 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**  
Reg. No. 000561N  
New Delhi  
**M. S. Agarwal**  
(Partner)  
M.No. 086580

**GARV BUILDTECH PRIVATE LIMITED**

Regd: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. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	1	500,000.00	500,000.00
Reserves and surplus	2	(23,318,689.91)	(10,948,194.30)
		<b>(22,818,689.91)</b>	<b>(10,448,194.30)</b>
<b>Non-current liabilities</b>			
Other Long term liabilities	3	54,240,865.00	-
		<b>54,240,865.00</b>	-
<b>Current liabilities</b>			
Trade payables	4	50,686,348.00	148,654,211.00
Other current liabilities	5	1,524,580,890.10	1,175,889,763.00
		<b>1,575,267,238.10</b>	<b>1,324,543,974.00</b>
<b>TOTAL</b>		<b>1,606,689,413.19</b>	<b>1,314,095,779.70</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	6	652,290.66	880,436.00
Non-current investments	7	17,252,600.00	17,252,600.00
Deferred tax assets	8	37,146.00	9,052.00
Long-term loans and advances	12	2,808,411.00	2,808,411.00
Other non-current assets	9	119,361.00	-
		<b>20,869,808.66</b>	<b>20,950,499.00</b>
<b>Current assets</b>			
Inventories	10	960,497,902.49	671,500,726.03
Cash and bank balances	11	47,419,648.28	49,797,261.65
Short term loans and advances	12	577,902,053.76	571,847,293.02
		<b>1,585,819,604.53</b>	<b>1,293,145,280.70</b>
<b>TOTAL</b>		<b>1,606,689,413.19</b>	<b>1,314,095,779.70</b>
Significant accounting policies	A		
Notes on financial statements	1-31		

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

As per our report of even date attached

For and on behalf of

**Doogar & Associates**

Chartered Accountants

Reg No.0005621/000561N

New Delhi

**M.S. Agarwal**

Partner

M.No. 86580

For and on behalf of the Board of Directors

*(Signature)*

**Manish Goel**  
(Director)

DIN: 03560939

*(Signature)*

**Vineet Goyal**  
(Director)

DIN: 03575020

Place : New Delhi

Date : 18 MAY 2013

**GARV BUILDTECH PRIVATE LIMITED**

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

**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	13	51,860.09	-
Other Income	14	821,796.00	34,672.00
<b>Total Revenue</b>		<b>873,656.09</b>	<b>34,672.00</b>
<b>Expenses</b>			
Cost of material consumed, construction & other related project cost	15	113,087,695.37	215,965,677.38
Changes in inventories of project in progress	16	(113,087,695.37)	(215,891,838.38)
Employees benefits expenses	17	80,395.00	-
Finance costs	18	72,004.47	62,248.30
Depreciation and amortization expense	6	228,145.34	188,554.00
Other expenses	19	12,891,700.89	9,376,794.00
<b>Total Expenses</b>		<b>13,272,245.70</b>	<b>9,701,435.30</b>
<b>Profit/(Loss) before tax</b>		<b>(12,398,589.61)</b>	<b>(9,666,763.30)</b>
<b>Tax expense:</b>			
Deferred tax charge/(credit)		(28,094.00)	(8,434.00)
		<b>(28,094.00)</b>	<b>(8,434.00)</b>
<b>Loss for the year</b>		<b>(12,370,495.61)</b>	<b>(9,658,329.30)</b>
Earning per equity share-Basic & diluted (in rupees) (Face value of Rs 10 each)	28	(247.41)	(193.17)
Significant accounting policies	A		
Notes on financial statements	1-31		

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

As per our report of even date attached

For and on behalf of

**Doogar & Associates**

Chartered Accountants

Reg No. 008961N

New Delhi

**M.S. Agarwal**

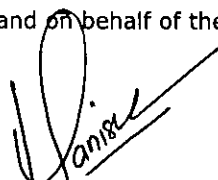
Partner

M.No. 86580

Place : New Delhi

Date : 18 MAY 2013

For and on behalf of the Board of Directors



**Manish Goel**

(Director)

DIN: 03560939



**Vineet Goyal**

(Director)

DIN: 03575020

**GARV BUILDTECH PRIVATE LIMITED**  
Regd: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/(Loss) for the year before tax</b>	(12,398,589.61)	(9,666,763.30)
Adjustments for :		
Interest received	(9,176.00)	(28,688.00)
Interest and finance charge	108,902,658.33	88,991.59
Depreciation w/off	228,145.34	188,554.00
<b>Operating profit before working capital changes</b>	<b>96,723,038.06</b>	<b>(9,417,905.71)</b>
<b>Adjustments for Working capital</b>		
Inventories	(288,997,176.46)	(595,073,021.29)
Loans and advances	(6,054,760.74)	130,166,974.29
Trade payables and other liabilities	298,020,740.10	504,434,047.00
	<b>2,968,802.90</b>	<b>39,528,000.00</b>
<b>Cash from (used in) operating activities</b>	<b>99,691,840.96</b>	<b>30,110,094.29</b>
Direct tax paid	-	(2,055.00)
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>99,691,840.96</b>	<b>30,108,039.29</b>
<b>B) Cash flow from investing activities</b>		
Purchase of fixed assets	-	(1,068,990.00)
Movement in bank deposits (net)	(9,176.00)	(8,141.00)
Interest received	9,176.00	28,688.00
<b>Net cash (used in)/generated from Investing activities (B)</b>	-	<b>(1,048,443.00)</b>
<b>C) Cash flow from financing activities</b>		
Interest and finance charges paid	(101,959,269.33)	(88,991.59)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>(101,959,269.33)</b>	<b>(88,991.59)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(2,267,428.37)</b>	<b>28,970,604.70</b>
<b>Opening balance of cash and cash equivalents</b>	<b>49,687,076.65</b>	<b>20,716,471.95</b>
<b>Closing balance of cash and cash equivalents</b>	<b>47,419,648.28</b>	<b>49,687,076.65</b>

Note: 1

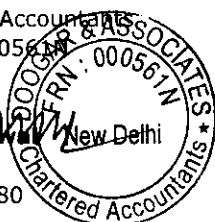
The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Note: 2

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

As per our report of even date attached

For and on behalf of  
**Doogar & Associates**  
Chartered Accountants  
Reg.No 00056

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



For and on behalf of the Board of Directors

*Manish Goel*  
**Manish Goel**  
(Director)  
DIN: 03560939

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

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. Fixed assets**

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

**d. Depreciation**

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

**e. Borrowing costs**

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

**f. Impairment of assets**

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

**g. Investments**

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

**h. Inventories**

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

**i. Projects in progress**

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

**j. Revenue recognition**

**i. Real estate projects**

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

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

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

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

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





**k. Accounting for taxes on income**

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

**l. Provisions, contingent liabilities and contingent assets**

A provision is recognized when:

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

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

**m. Operating lease**

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

**n. Earnings Per Share**

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

**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 fully paid up		500,000.00		500,000.00
		<b>500,000.00</b>		<b>500,000.00</b>

Figures in Bracket represents those of previous year.

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

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

**1.2 Terms / rights attached to equity shares**

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

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

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
	Number	Amount	Number	Amount
<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>

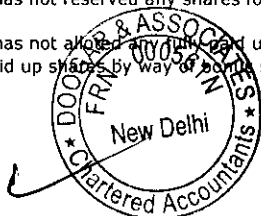
**1.4 Details of shareholders holding more than 5% shares in equity capital of the company**

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%
Mehboob Builders Private Limited	13,000	26%	13,000	26%
Mehtab Infratech Private Limited	11,500	23%	11,500	23%

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

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

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



*[Handwritten Signature]*

*[Handwritten Signature]*

**2. RESERVES & SURPLUS**

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non current	Current	Non current	Current
<b>Surplus/(Deficit) as per Statement of Profit &amp; Loss</b>				
Balance at the beginning of the year		(10,948,194.30)		(1,289,865.00)
Add: Net Profit/(loss) for the current year		(12,370,495.61)		(9,658,329.30)
<b>Balance at the end of the year</b>		<b>(23,318,689.91)</b>		<b>(10,948,194.30)</b>

**3. OTHER LONG TERM LIABILITIES**

(Amount in Rupees)

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

**4. TRADE PAYABLES**

(Amount in Rupees)

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

**5. OTHER CURRENT LIABILITIES**

(Amount in Rupees)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non current	Current	Non current	Current
Security deposit received	25,000.00	-	-	-
Advance from holding and fellow subsidiary companies	-	1,243,492,182.00	-	994,930,768.00
Advance from customers and others	-	271,944,683.10	-	179,303,648.00
Others				
Statutory dues payable	-	71,925.00	-	217,836.00
Interest on trade payables	-	6,943,389.00	-	-
Others	-	2,128,711.00	-	1,437,511.00
	<b>25,000.00</b>	<b>1,524,580,890.10</b>	-	<b>1,175,889,763.00</b>
Less: Amount disclosed under the head other long term liabilities (refer note no. 3)	25,000.00	-	-	-
	-	<b>1,524,580,890.10</b>	-	<b>1,175,889,763.00</b>



*[Handwritten Signature]*

*[Handwritten Signature]*

6. Fixed Assets

(Amount in Rupees)

Nature of Assets	Gross Block (At Cost)			Depreciation / Amortisation				Net Block		
	As at April 1, 2012	Additons	Deletion / Adjustments	As at March 31, 2013	As at April 1, 2012	For the year	Deletion / Adjustments	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
<b>Tangible assets</b>										
Furniture and fixture	1,800.00	-	-	1,800.00	1,529.50	270.50	-	1,800.00	-	270.50
Vehicle	1,067,190.00	-	-	1,067,190.00	187,024.50	227,874.84	-	414,899.34	652,290.66	880,165.50
<b>Total</b>	<b>1,068,990.00</b>	<b>-</b>	<b>-</b>	<b>1,068,990.00</b>	<b>188,554.00</b>	<b>228,145.34</b>	<b>-</b>	<b>416,699.34</b>	<b>652,290.66</b>	<b>880,436.00</b>
<b>Previous year</b>	-	1,068,990.00	-	1,068,990.00	-	188,554.00	-	188,554.00	880,436.00	-



*H. Anis*

*Pratap*

**7. NON CURRENT INVESTMENTS**

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
<b>Trade ,Unquoted at cost</b>				
<b>Investment in equity Instrument</b>				
<b>In Subsidiary companies</b>				
10,000 (10,000) Equity shares of Tejpal Infra Developers Private Limited Rs 10 each		2,220,000.00		2,220,000.00
10,000 (10,000) Equity shares of Ashok Infrabuild Private Limited of Rs 10 each		100,000.00		100,000.00
37,900 (37,900) Equity shares of Glacier Agro Food Products Private Limited of Rs 100 each		14,932,600.00		14,932,600.00
Note:All the above shares are fully paid up				
		<b>17,252,600.00</b>		<b>17,252,600.00</b>

Figure in bracket represents those of previous years

**8. DEFERRED TAX ASSETS**

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
<b>Deferred tax assets</b>				
On account of preliminary expenses		-		309.00
Difference between book and tax base of fixed assets		37,146.00		8,743.00
		<b>37,146.00</b>		<b>9,052.00</b>

**9. OTHER NON CURRENT ASSETS**

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

**10. INVENTORIES**

(Amount in Rupees)

Particulars	As at March 31,2013		As at March 31,2012	
Building Material and Consumables		-		355,098.91
Land		555,090,664.00		378,826,084.00
Project in progress		405,407,238.49		292,319,543.12
		<b>960,497,902.49</b>		<b>671,500,726.03</b>

**11. CASH & BANK BALANCES**

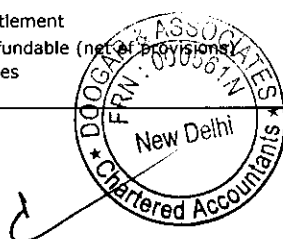
(Amount in Rupees)

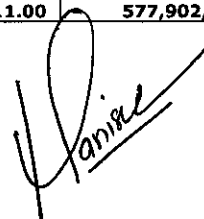
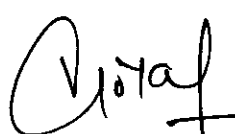
Particulars	As at March 31,2013				As at March 31,2012			
	Non current		Current		Non current		Current	
<b>Cash and cash equivalents</b>								
Balances with banks in current accounts	-		18,766,792.28		-		1,680,776.65	
Cash on hand	-		28,294,856.00		-		48,006,300.00	
Cheques/drafts on hand	-		358,000.00		-		-	
	-		<b>47,419,648.28</b>		-		<b>49,687,076.65</b>	
<b>Other Bank Balances</b>								
Held as margin money	119,361.00		-		-		110,185.00	
	<b>119,361.00</b>		-		-		<b>110,185.00</b>	
Less:Amount disclosed under the head "Other non current assets"(Refer note no.9)	119,361.00		-		-		-	
	-		<b>47,419,648.28</b>		-		<b>49,797,261.65</b>	

**12. LOANS & ADVANCES**

(Amount in Rupees)

Particulars	As at March 31,2013				As at March 31,2012			
	Non Current		Current		Non Current		Current	
(Unsecured,considered good unless otherwise stated)								
Security deposits	2,681,250.00		-		2,681,250.00		-	
Advances against goods, services & others								
Subsidiary and fellow subsidiary companies \$	-		24,266,497.00		-		24,278,226.00	
Others	125,000.00		553,473,452.00		125,000.00		547,549,326.00	
Balance with Government / statutory authorities	-		135,250.00		-		-	
MAT credit entitlement	106.00		-		106.00		-	
Direct taxes refundable (net of provisions)	2,055.00		-		2,055.00		-	
Prepaid Expenses	-		26,854.76		-		19,741.02	
	<b>2,808,411.00</b>		<b>577,902,053.76</b>		<b>2,808,411.00</b>		<b>571,847,293.02</b>	



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

(Amount in Rupees)

Name of companies	Nature of Relation	As at March 31, 2013	As at March 31, 2012
Ashok Infrabuild Private Limited	Subsidiary company	16,111,150.00	16,111,150.00
Tejapl Infra Developers Private Limited	Subsidiary company	7,155,000.00	7,155,000.00
Jagdamba Contractors And Builders Limited	Fellow subsidiary company	1,000,347.00	1,012,076.00
	<b>Total</b>	<b>24,266,497.00</b>	<b>24,278,226.00</b>

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

**13. REVENUE FROM OPERATION**

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Other Operating Income	51,860.09	-
	<b>51,860.09</b>	<b>-</b>

**14. OTHER INCOME**

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Interest on bank deposits	9,176.00	28,688.00
Foreign exchange fluctuation gain	-	5,984.00
Miscellaneous income	812,620.00	-
	<b>821,796.00</b>	<b>34,672.00</b>

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

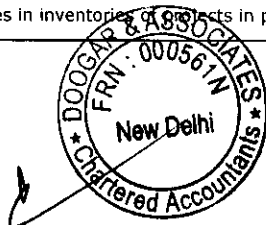
(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
<b>Inventory at the beginning of the year</b>		
Building materials and consumables	355,098.91	-
Land	378,826,084.00	-
	<b>379,181,182.91</b>	<b>-</b>
<b>Add: Incurred during the year</b>		
Land, development and other rights	176,264,580.00	572,708,740.00
Building materials purchases	-	355,232.27
Construction cost	770,162.00	1,419,433.00
Rates and taxes	12,687.00	31,901.00
Administrative expenses	1,052,093.60	15,875,242.01
Selling expenses	-	4,608,029.72
Finance costs	108,830,653.86	26,743.29
Power, fuel and other electrical costs	2,067,000.00	121,539.00
	<b>288,997,176.46</b>	<b>595,146,860.29</b>
<b>Less: Inventory at the close of the year</b>		
Building materials and consumables	-	355,098.91
Land	555,090,664.00	378,826,084.00
	<b>555,090,664.00</b>	<b>379,181,182.91</b>
	<b>113,087,695.37</b>	<b>215,965,677.38</b>

**16. CHANGES IN INVENTORIES OF PROJECTS 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	292,319,543.12	76,427,704.74
	<b>292,319,543.12</b>	<b>76,427,704.74</b>
<b>Inventory at the close of the year</b>		
Projects in progress	405,407,238.49	292,319,543.12
	<b>405,407,238.49</b>	<b>292,319,543.12</b>
Changes in inventories of projects in progress	<b>(113,087,695.37)</b>	<b>(215,891,838.38)</b>



*Handwritten signature: P. Anise Chotal*

**17. EMPLOYEE BENEFIT EXPENSE**

(Amount in Rupees)

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

**18. FINANCE COSTS**

Particulars	Year ended March 31,2013	Year ended March 31,2012
Interest *	108,804,631.00	51,199.00
Bank charges	98,027.33	37,792.59
	<b>108,902,658.33</b>	<b>88,991.59</b>
Less: Allocated to projects	108,830,653.86	26,743.29
	<b>72,004.47</b>	<b>62,248.30</b>

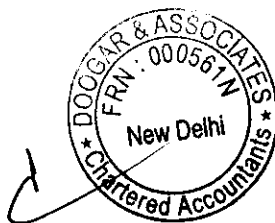
\* Includes reimbursement of interest

**19. OTHER EXPENSES**

(Amount in Rupees)

Particulars	Year ended March 31,2013	Year ended March 31,2012
<b>Administrative expenses</b>		
Rent	8,578,475.00	8,774,216.00
Rates and taxes	25,592.80	11,621.00
Insurance	16,523.40	-
Repairs and maintenance- building	90,000.00	120,000.00
Repairs and maintenance- others	5,562.00	-
Water & Electricity charges	511,061.00	316,474.00
Professional & consultancy charges	1,104,767.00	15,214,511.80
Vehicle running and maintenance	234,416.00	73,982.00
Travelling and conveyance	40.00	646,913.00
Printing and stationery	29,565.00	10,680.00
Postage, telephone & courier	3,000.00	-
Auditors' remuneration	10,000.00	11,236.00
Miscellaneous expenses	96,732.69	32,402.21
	<b>10,705,734.89</b>	<b>25,212,036.01</b>
Less: Allocated to projects	1,052,093.60	15,875,242.01
<b>Total (a)</b>	<b>9,653,641.29</b>	<b>9,336,794.00</b>
<b>Selling Expenses</b>		
Business promotion	358,614.80	2,257,969.18
Commission	1,008,176.00	-
Advertisement and publicity	1,871,268.80	2,390,060.54
	<b>3,238,059.60</b>	<b>4,648,029.72</b>
Less: Allocated to projects	-	4,608,029.72
<b>Total (b)</b>	<b>3,238,059.60</b>	<b>40,000.00</b>
<b>Total(a+b)</b>	<b>12,891,700.89</b>	<b>9,376,794.00</b>

(\*Including Service tax Rs.Nil (Rs. 1,236/-)



*Handwritten signatures and the word 'Total' with a plus sign.*

**20. Contingent Liabilities and commitments**

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
<b>Bank Guarantees</b>		
Bank Gurantees given by holding company namely Omaze limited on behalf of the company	1,000,000.00	1,000,000.00
<b>Total</b>	<b>1,000,000.00</b>	<b>1,000,000.00</b>

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

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

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

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

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

**25. EARNING AND EXPENDITURE IN FOREIGN CURRENCY**

(Amount in Rupees)

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

**26. Auditors' Remuneration**

(Amount in Rupees)

Particulars	Year ended March 31, 2013*	Year ended March 31, 2012
Statutory audit fee	10,000.00	11,236.00
<b>Total</b>	<b>10,000.00</b>	<b>11,236.00</b>

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

**27. Segment Reporting**

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

**28. Lease**

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

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

(Amount in Rupees)

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

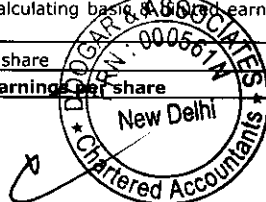
b. The lease agreements provide for an option to the Company to renew the lease period at the end of the non-cancellation period. There are no exceptional / restrictive covenants in the lease agreement

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

**29. Earnings per share**

(Amount in Rupees)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
<b>Profit/(loss) after tax</b>	(12,370,495.61)	(9,658,329.30)
Numerator used for calculating basic and diluted earnings per share	(12,370,495.61)	(9,658,329.30)
Equity shares outstanding as at the year end	50,000	50,000
Weighted average number of shares used as denominator for calculating basic earnings per share	50,000	50,000
Nominal value per share	10/-	10/-
<b>Basic &amp; diluted earnings per share</b>	<b>(247.41)</b>	<b>(193.17)</b>



Handwritten signatures: Hanise and Total

### 30. Related parties disclosures

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

##### (i) Holding Company

Omaxe Limited

##### (ii) Fellow Subsidiary companies

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

##### (iii) Subsidiary companies

1. Ashok Infrabuild Private Limited
2. Tejapl Infra Developers Private Limited
3. Glaciers Agro Food Products Private Limited

#### B. Summary of related parties transactions are as under :

(Amount in Rupees)

Transaction	Omaxe Limited	Jagdamba Contractors And Builders Limited	Omaxe Chandigarh Extension Developers Private Limited	Omaxe Infrastructure Ltd.	Ashok Infrabuild Private Limited	Tejapl Infra Developers Private Limited	Total
	Holding company	Fellow subsidiary company	Fellow subsidiary company	Fellow subsidiary company	Subsidiary company	Subsidiary company	
<b>A. Transactions made during the year</b>							
Construction cost	Nil	211,446.00	Nil	Nil	Nil	Nil	211,446.00
	(Nil)	(563,584.00)	(Nil)	(Nil)	(Nil)	(Nil)	(563,584.00)
Reimbursement of finance cost	85,661,914.00	Nil	Nil	Nil	Nil	Nil	85,661,914.00
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	-
Lease rent paid	36,000.00	Nil	Nil	Nil	Nil	Nil	36,000.00
	(39,708.00)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(39,708.00)
<b>B. Closing balances</b>							
Balance payable	1,243,492,182.00	121,594.00	Nil	Nil	Nil	Nil	1,243,613,776.00
	(986,230,768.00)	(538,567.00)	(3,000,000.00)	(5,700,000.00)	(Nil)	(Nil)	(995,469,335.00)
Loans and advances receivable	Nil	1,000,347.00	Nil	Nil	16,111,150.00	7,155,000.00	24,266,497.00
	(Nil)	(1,012,076.00)	(Nil)	(Nil)	(16,111,150.00)	(7,155,000.00)	(24,278,226.00)
Bank guarantees	1,000,000.00	Nil	Nil	Nil	Nil	Nil	1,000,000.00
	(1,000,000.00)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(1,000,000.00)

Figures in brackets represent those of the previous year.

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

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

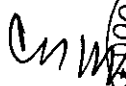
As per our report on even date attached

For and on behalf of

**Doogar & Associates**

Chartered Accountants

Reg.No 00056111

  
**M.S. Agarwal**  
 Partner  
 Chartered Accountants

M.No. 86580

Place: New Delhi

Date : 18 MAY 2013

For and on behalf of the Board of Directors



**Manish Goel**

(Director)

DIN: 03560939



**Vineet Goyal**

(Director)

DIN: 03575020