

DOOGAR & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **Navratan Techbuild Private Limited**

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

Management's Responsibility for the Consolidated Financial Statements

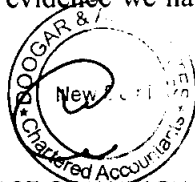
Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in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

Auditor's Responsibility

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

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

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



Opinion


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

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

For **Doogar & Associates**

Chartered Accountants

Firm's Reg.No.000561N


Vikas Modi
Partner

M. No. 505603



Place: New Delhi

Date : 18 MAY 2013

Consolidated Balance Sheet as at 31st March, 2013

(Amount in Rupees)

Particulars	Note No.	As at 31st March, 2013
I EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	2	500,000.00
Reserves and surplus	3	207,950,625.92
		208,450,625.92
Non-current liabilities		
Other Long term liabilities	4	164,538,552.00
Current liabilities		
Trade payables	5	394,225,154.32
Other current liabilities	6	1,952,277,040.63
Short term provisions	7	2,210,449.00
		2,348,712,643.95
Total		2,721,701,821.87
II ASSETS		
Non-current assets		
Tangible assets	8	1,572,615.65
Long term loans and advances	13	45,882,750.99
Goodwill on consolidation		324,718,891.97
Deferred tax assets (net)	9	9,457.00
		372,183,715.61
Current assets		
Inventories	10	2,227,786,729.48
Trade receivables	11	33,036,356.97
Cash and bank balances	12	5,421,804.07
Short term loans and advances	13	4,086,687.61
Other assets	14	79,186,528.13
		2,349,518,106.26
Total		2,721,701,821.87
Significant accounting policies	1	

The note no1-32 form an integral part of financial statements.

As per our report of even date attached

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

Vikas Modi
Partner
M.No. 505603

Place : New Delhi
Date : 18 MAY 2013

For and on behalf of the Board of Directors

Vimal Gupta
(Director)
DIN:00028179

Rajneesh Pabbi
(Director)
DIN: 03563078

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

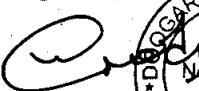
(Amount in Rupees)

Particulars	Note No.	Year ended 31st March, 2013
Revenue		
Revenue from operations	15	177,836,210.21
Other income	16	33,759.08
Total Revenue		177,869,969.29
Expenses		
Cost of material consumed, construction & other related project costs	17	41,504,406.57
Changes in inventories of finished stock	18	113,151,986.35
Finance costs	19	72,736.45
Depreciation	8	50,964.73
Other expenses	20	6,209,215.95
Total Expenses		160,989,310.05
Profit / (Loss) before tax		16,880,659.24
Tax expense		
Current tax		2,210,449.00
Tax adjustments for earlier years		130,212.00
Deferred tax charge/(credit)		(9,457.00)
		2,331,204.00
Profit / (loss) for the year		14,549,455.24
Earnings per equity share Basic & diluted (Face value of Rs. 10 each)	29	290.99
Significant accounting policies	1	

The note no1-32 form an integral part of financial statements.

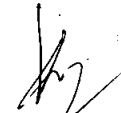
As per our report of even date attached


For and on behalf of
Doogar & Associates
Chartered Accountants
Reg No.00056111


Vikas Modi
Partner
M.No. 505603



For and on behalf of the Board of Directors


Vimal Gupta
(Director)
DIN:00028179


Rajneesh Pabbi
(Director)
DIN: 03563078

Place : New Delhi
Date : 18 MAY 2013

Consolidated Cash flow statement for the year ended 31st March, 2013

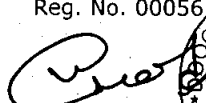
	(Amount in Rupees)
Particulars	Year ended 31st March, 2013
A. Cash flow from operating activities	
Profit for the year before tax	16,880,659.24
Adjustment for:	
Depreciation	52,480.24
Interest and finance charges	10,601,234.38
Operating profit before working capital changes	27,534,373.86
Adjustments for working capital	
Inventories	(2,223,890,678.93)
Trade receivable	(23,658,402.82)
Loans and advances	147,458,132.98
Other assets	(79,186,528.13)
Trade payables and other liabilities	2,510,865,378.95
	331,587,902.05
Cash from (used in) operating activities	359,122,275.91
Direct tax paid	(17,058,119.00)
Net cash (used in)/generated from operating activities	342,064,156.91
B. Cash flow from investing activities	
Purchase of fixed assets (Net)	(1,625,095.89)
Goodwill on consolidation	(324,718,891.97)
	(326,343,987.86)
C. Cash flow from financing activities	
Interest and finance charges paid	(10,601,234.38)
	(10,601,234.38)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	5,118,934.67
Opening balance of cash and cash equivalents	302,869.40
Closing balance of cash and cash equivalents	5,421,804.07

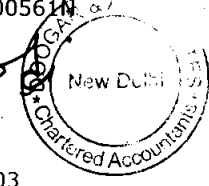
Note: 1 - The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 'Cash Flow Statements'.

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


As per our report of even date attached

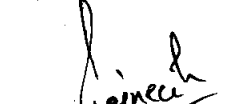
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For and on behalf of the Board of Directors


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DIN: 03563078

Place : New Delhi
Date : 18 MAY 2013

Navratan Techbuild Private Limited

58, First Floor, Orbit Mall A.B Road, Indore, M.P -452003

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

1. Significant accounting policies

a. Basis of preparation of financial statements

The financial statements are prepared under historical cost convention on the accrual basis of accounting in accordance with the Companies Act, 1956 ("the Act") and the Accounting Principles Generally Accepted in India ('Indian GAAP') and to comply with the Accounting Standards prescribed in Companies (Accounting Standard) Rules 2006 issued by the Central Government in exercise of power conferred under Section 642(1) (a) and relevant provisions of the Act.

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. Inventories

i Land is valued at cost, which is determined on average method. Cost includes cost of acquisition and all other costs incurred till the date of possession.

ii Completed real estate project for sale and trading stock are valued at lower of cost or net realisable value. Cost includes cost of material, service and other related overheads.

d. 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.

e. 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.

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.



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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. Borrowing costs

Borrowing costs 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.

h. Amortization of Miscellaneous Expenses

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

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 on the balance sheet date. Deferred tax Assets are recognized only when there is a reasonable certainty of their realization. Wherever there are unabsorbed depreciation or carried forward losses under Tax laws, Deferred tax assets are recognized only to the extent that there is virtual certainty of their realization.

j. Provisions, 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. Investments

Long-term investments are stated at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognise a decline, other than of a temporary nature.

l. 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 share.

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. 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 account on a straight line basis over the lease term.



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Principal of consolidation

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

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

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

Name of Subsidiaries	As at March 31, 2013
	% of share holding
S N Realtors Private Limited (w.e.f 11-02-2013)	100.00

2. SHARE CAPITAL

(Amount in Rupees)

Particulars	As at 31st March, 2013
Authorised	
50,000 Equity Shares of Rs.10 each	500,000.00
	500,000.00
Issued, subscribed & paid up	
50,000 Equity Shares of Rs.10 each fully paid up	500,000.00
	500,000.00

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

Particulars	As at 31st March, 2013	
	Number	Amount
Equity Shares of Rs 10 each fully paid		
Shares outstanding at the beginning of the year	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

2.2 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.

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

Particulars	As at 31st March, 2013	
	Number	Amount
Holding Company		
Omaxe Limited	49,900	499,000.00
	49,900	499,000.00



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

Particulars	As at 31st March, 2013	
	No of Shares held	% Holding
Omaxe Limited	49,900	99.80%

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.

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

2.6 The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash and 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.

3. RESERVES & SURPLUS

(Amount in Rupees)

Particulars	As at 31st March, 2013
Surplus as per statement of profit & loss	
Balance at the beginning of the year	193,401,170.68
Add: Net profit for the current year	14,549,455.24
Balance at the end of the year	207,950,625.92

4. OTHER LONG TERM LIABILITIES

(Amount in Rupees)

Particulars	As at 31st March, 2013
Non current Trade Payables (refer note no. 5)	164,463,552.00
Non current other liabilities (refer note no. 6)	75,000.00
	164,538,552.00

5. TRADE PAYABLES

(Amount in Rupees)

Particulars	As at 31st March, 2013	
	Non Current Liabilities	Current Liabilities
Deferred Payment Liabilities		
- in respect of development & other charges to be paid on deferred credit terms	164,463,552.00	151,716,487.00
Other trade payables		
- due to micro, small & medium enterprises *	-	-
- Fellow subsidiary companies	-	241,057,099.32
- others	-	1,451,568.00
	164,463,552.00	394,225,154.32
Less: Amount disclosed under the head other long term liabilities (refer note no. 4)	164,463,552.00	-
	-	394,225,154.32

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



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6. OTHER CURRENT LIABILITIES

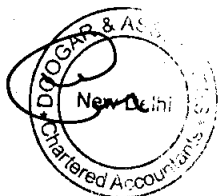
(Amount in Rupees)

Particulars	As at 31st March, 2013	
	Non Current	Current
Security deposit received	75,000.00	-
Advance from customers and others		
From Holding company		187,690,052.00
From Fellow subsidiary companies		1,565,269,708.00
From others		164,433,162.63
Other Payable		
Statutory dues payable	-	602,970.00
Interest on trade payables	-	33,446,169.00
Others	-	834,979.00
	75,000.00	1,952,277,040.63
Less: Amount disclosed under the head other long term liabilities (refer note no. 4)	75,000.00	-
	-	1,952,277,040.63

7. SHORT TERM PROVISIONS

(Amount in Rupees)

Particulars	As at 31st March, 2013	
	Provision for income tax (net of provisions)	
		2,210,449.00



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8. Fixed Assets

Name of Assets	Gross Block (At Cost)				Depreciation / Amortisation				(Amount in Rupees) Net Block			
	As at April 1, 2012	Adjustments	Additions	Deletion / Adjustments	As at March 31, 2013	As at April 1, 2012	Adjustments	For the year	Deletion / Adjustments	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
Plant and machinery	-	67,402.50	-	-	67,402.50	-	1,592.58	1,515.51	-	3,108.09	64,294.41	-
Office Equipment	-	91,639.07	-	-	91,639.07	-	5,980.79	3,026.19	-	9,006.98	82,632.09	-
Furniture and fixture	-	1,622,450.57	-	-	1,622,450.57	-	148,822.88	47,938.54	-	196,761.42	1,425,689.15	-
Total	-	1,781,492.14	-	-	1,781,492.14	-	156,396.25	52,480.24	-	208,876.49	1,572,615.65	-

Note:

Particulars	(Amount in Rupees)	
	Year ended March 31, 2013	
Depreciation has been charged to		
-Cost of material consumed, construction & other related project cost (refer note 17)	1,515.51	
-Statement of profit & loss	50,964.73	
	52,480.24	

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9. DEFERRED TAX ASSETS/ (LIABILITY) (NET)

(Amount in Rupees)

Particulars	As at 31st March, 2013
Deferred tax asset	
Difference between book and tax base of fixed assets	9,457.00
	9,457.00

10. INVENTORIES

(Amount in Rupees)

Particulars	As at 31st March, 2013
Land	1,550,670,594.61
Completed real estate projects	8,693,817.65
Project in progress	668,422,317.22
	2,227,786,729.48

11. TRADE RECEIVABLES

(Amount in Rupees)

Particulars	As at 31st March, 2013
(Unsecured, considered good unless otherwise stated)	
Outstanding for more than six months from the date they are due for the payment	9,858,404.56
Others	23,177,952.41
	33,036,356.97

12. CASH & BANK BALANCES

(Amount in Rupees)

Particulars	As at 31st March, 2013
Cash and cash equivalents	
Balance with banks in current accounts	4,241,952.07
Cash on hand	161,864.00
Cheques, drafts on hand	1,017,988.00
	5,421,804.07

13. LOANS & ADVANCES

(Amount in Rupees)

Particulars	As at 31st March, 2013	
	Non Current	Current
(Unsecured, considered good unless otherwise stated)		
Security Deposits	2,423,000.00	-
Advance to fellow subsidiary companies *	-	2,698,415.00
Advance against goods, services & others	-	919,524.00
Balance with Government / statutory authorities		18,617.17
MAT credit entitlement	9,556,058.00	-
Direct taxes refundable (net of provision)	33,202,618.00	-
Prepaid expenses	701,074.99	450,131.44
	45,882,750.99	4,086,687.61

* Due from Jagdamba Contractors and Builders Private Limited of Rs.10,01,515.00 and Volvo Properties Private Limited of Rs.16,96,900.00



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14. OTHER CURRENT ASSETS

(Amount in Rupees)

Particulars	As at 31st March, 2013
Unbilled receivables	79,186,528.13
	79,186,528.13

15. REVENUE FROM OPERATIONS

(Amount in Rupees)

Particulars	For the year ended 31st March, 2013
Income from real estate projects	177,836,210.21
	177,836,210.21

16. OTHER INCOME

(Amount in Rupees)

Particulars	For the year ended 31st March, 2013
Interest on income tax refund	33,756.00
Miscellaneous income	3.08
	33,759.08

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

(Amount in Rupees)

Particulars	For the year ended 31st March, 2013
Inventories at the beginning of the year	
Building materials and consumables	3,600.00
Land	36,562,450.61
	36,566,050.61
Add: Cost incurred during the year	
Land, development and other rights	1,514,108,144.00
Construction cost	29,963,363.00
Rates and taxes	883,876.00
Depreciation	1,515.51
Administration cost	123,554.13
Finance cost	10,528,497.93
	1,555,608,950.57
Less : Inventories at the end of the year	
Building materials and consumables	-
Land	1,550,670,594.61
	1,550,670,594.61
Cost of material consumed, construction & other related project cost	41,504,406.57



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18. CHANGES IN INVENTORIES OF FINISHED STOCK

(Amount in Rupees)

Particulars	For the year ended 31st March, 2013
Inventory at the beginning of the year	
Completed real estate project	3,896,050.55
Project in Progress	786,372,070.67
	790,268,121.22
Less: Inventory at the close of the year	
Completed real estate project	8,693,817.65
Project in Progress	668,422,317.22
	677,116,134.87
	113,151,986.35

19. FINANCE COSTS

(Amount in Rupees)

Particulars	For the year ended 31st March, 2013
Interest on others	10,391,751.00
Bank charges	209,483.38
	10,601,234.38
Less: allocated to projects	10,528,497.93
	72,736.45

20. OTHER EXPENSES

(Amount in Rupees)

Particulars	For the year ended 31st March, 2013
Administrative expenses	
Rent	68,857.12
Rates and taxes	571,314.00
Legal and professional charges	364,132.00
Auditors' remuneration	21,236.00
Miscellaneous expenses	2.96
	1,025,542.08
Less: allocated to projects	123,554.13
	901,987.95
Selling Expenses	
Commission	4,206,759.00
Advertisement and publicity	1,100,469.00
	5,307,228.00
Less: allocated to projects	-
	5,307,228.00
	6,209,215.95

21. CONTINGENT LIABILITIES & COMMITMENTS

(Amount in Rupees)

Particulars	As at 31st March, 2013
Bank Guarantees given by holding company Omaxe Limited on behalf of the company	11,044,010.00
Corporate guarantee on behalf of ultimate holding company namely Omaxe Ltd	1,200,000,000.00
Disputed tax amounts :-	
- Income tax	51,785,427.00



42
Signature

22. 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.

23. Inventories, trade receivables, loans & advances 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. 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. The Income Tax Department had raised a demand of Rs. 36,202,120/- on company on account of disallowance under section 80IB(10) of the Income Tax Act, 1961 for the A.Y. 2008-09, which had been revised to 44,917,227/- during the year due to rectification. The company had filed an appeal before CIT(A) against the impugned order of the Assessing Officer, which has been confirmed by the CIT(A). Company has now filed an appeal before ITAT against the order of CIT(A) and is pending for decision. Further, the income tax department has raised a demand of Rs. 6,868,200/- on company on similar issue for A.Y. 2010-11. The company has filed an appeal before CIT(A) against the impugned order of the Assessing Officer and is pending for decision.

26. Auditors' Remuneration

(Amount in Rupees)

Particulars	Year ended March 31, 2013 *
Audit Fees	21,236.00

*excluding service tax of Rs 1,236/-

27. EARNING AND EXPENDITURE IN FOREIGN CURRENCY

i) Earning in foreign currency	2012-13 NIL	2011-12 NIL
ii) Expenditure in foreign currency	NIL	NIL

28.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'

29. EARNINGS PER SHARE

(Amount in Rupees)

Particulars	Year ended March 31, 2013
Profit after tax (in Rupees)	14,549,455.24
Numerator used for calculating basic and diluted earnings per share	14,549,455.24
Equity shares outstanding as at the year end	50,000.00
Weighted average number of shares used as denominator for calculating basic & diluted earnings per share	50,000.00
Nominal value per share (in Rupees)	10.00
Basic & diluted earnings per share (in Rupees)	290.99



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30. RELATED PARTY DISCLOSURES

A. Name of related parties:-

(i) Holding Company

Omaxe Limited (holding company)

(ii) Fellow subsidiary companies

Omaxe Buildhome Private Limited

Jagdamba Contractors and Builders Limited

Volvo Properties Private Limited

Green Plant Colonisers Private Limited

B. Summary of transactions with related parties are as under

Transactions						(Amount in Rupees)
	Omaxe Limited (Holding company)	Jagdamba Contractors and Builders Ltd. (Fellow Subsidiary)	Omaxe Buildhome Pvt. Limited((Fellow Subsidiary)	Green Plant Colonisers Private Limited (Fellow Subsidiary)	Volvo Properties Private Limited (Fellow Subsidiary)	Total
Lease rent paid	4,929.00	NIL	NIL	NIL	NIL	4,929.00
Construction cost	NIL	20,672,348.00	NIL	NIL	1,139,654.00	21,812,002.00
Balance outstanding as at 31.03.2013						
Loans and advances receivables	NIL	1,001,515.00	NIL	NIL	1,696,900.00	2,698,415.00
Balance payables	187,690,052.00	8,968,856.00	1,731,582,595.32	65,730,083.00	45,273.00	1,994,016,859.32
Bank guarantee outstanding	21,970,010.00	NIL	NIL	NIL	NIL	21,970,010.00
Corporate guarantee outstanding	1,200,000,000.00	NIL	NIL	NIL	NIL	1,200,000,000.00

31. This being the first year of consolidation, therefore, previous year figures are not applicable In case of consolidated financial statements of the company

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

The note no 1-32 referred to above form an integral part of financial statements.

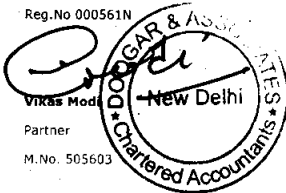
As per our report of even date attached

For and on behalf of

Doogar & Associates

Chartered Accountants

Reg.No 000561N



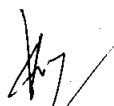
Partner

M.No. 505603

Place: New Delhi

Date : 18 MAY 2013

For and on behalf of the Board of Directors


Vimal Gupta
(Director)

DIN:00028179


Rajneesh Pabbi
(Director)

DIN: 03563078