

॥ अहिंसा परमो धर्मः ॥



T. N. Gala & Associates

CHARTERED ACCOUNTANTS

30, Hazi Habib Bldg., A - Wing, 2nd Floor, Naigaon Cross Road,
Dadar, Mumbai - 400 014. Tel.: 2411 4369, 24121057

Independent Auditor's Report

To the Members of Adeshwar Realty Private Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of **ADESHWAR REALTY PRIVATE LIMITED** ('the Company') which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

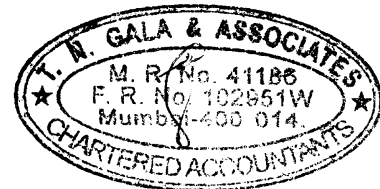
Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in the accordance with Accounting Standard referred in sub-section (3C) of section 211 of the Companies Act of 1956 ("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 conduct our audit in accordance with the standard 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 judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessment, 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 the management, as well as evaluating the overall presentation of Financial Statements.

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



Opinion

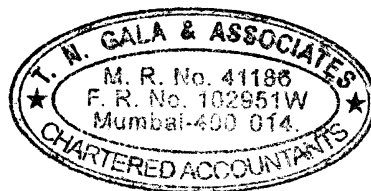
In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2013;
- ii. In the case of the Statement of Profit & Loss, of the profit for the year ended on that date.
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

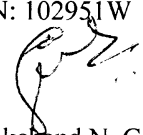
Report on Other Legal and Regulatory Requirement

1. The Companies (Auditors' Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, is not applicable to the Company.
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 books;
 - c) The Balance Sheet, Statement of Profit & 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 & Loss and Cash Flow Statement comply with the Accounting Standards referred in sub- section (3C) of the Section 211 of the Companies Act, 1956; and
 - e) On the basis of the written representations received from the Directors as on 31 March 2013 and taken on record by the Board of Directors, and none of directors is disqualified as on 31 March 2013 from being appointed as Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Place: Navi Mumbai
Date: 10.05.2013



For T N Gala & Associates
Chartered Accountants
FRN: 102951W


Talakchand N. Gala
Proprietor
MRN: 41186

ADESHWAR REALTY PRIVATE LIMITED

BALANCE SHEET AS AT

		(Amount in Rs.)	
	Notes	<u>31-Mar-13</u>	<u>31-Mar-12</u>
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	100,000	100,000
(b) Reserves and surplus	4	70,171	19,358
		<u>170,171</u>	<u>119,358</u>
2 Non-current liabilities			
(a) Long-term borrowings	5	125,000,000	-
(b) Long-term provisions	6	124,512	-
		<u>125,124,512</u>	<u>-</u>
3 Current liabilities			
(a) Short-term borrowings	5	78,802,176	927,871
(b) Trade payables	7	771,167	-
(c) Other current liabilities	7	132,529,438	24,678
(d) Short-term provisions	6	72,040	2,410
		<u>212,174,821</u>	<u>954,959</u>
TOTAL		<u><u>337,469,504</u></u>	<u><u>1,074,317</u></u>
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	745,691	24,219
(ii) Capital WIP		950,000	-
(b) Long-term loans and advances	9	300,000	-
(c) Deferred tax asset	10	18,194	(974)
		<u>2,013,885</u>	<u>23,245</u>
2 Current assets			
(a) Inventories	11	26,588,026	-
(b) Cash and cash equivalents	12	5,708,064	45,346
(c) Short-term loans and advances	9	255,426	1,005,726
(d) Other current assets	13	302,904,103	-
		<u>335,455,619</u>	<u>1,051,072</u>
TOTAL		<u><u>337,469,504</u></u>	<u><u>1,074,317</u></u>
See accompanying notes to the financial statements			

As per our report of even date

For T N Gala & Associates

Chartered Accountants

FRN: 102951W



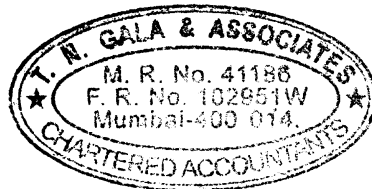
Talakchand N. Gala

Proprietor

MRN: 41186

Place: Navi Mumbai

Date: 10.05.2013




For & on behalf of the board



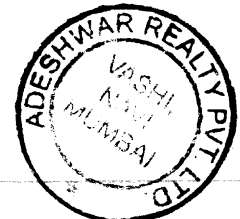
Director

Place: Navi Mumbai

Date: 10.05.2013



Director



ADESHWAR REALTY PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED

(Amount in Rs.)

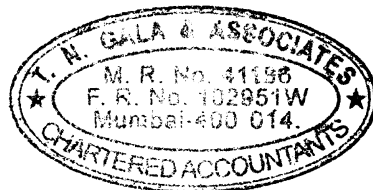
	Notes	31-Mar-13	31-Mar-12
Income			
Revenue from operations	14	7,500,000	55,000
Total Revenue		<u>7,500,000</u>	<u>55,000</u>
Expenses			
Cost of construction, land and development expenses	15	24,749,500	-
Changes in inventories of finished goods, incomplete projects (WIP) and Stock-in-trade	16	(26,588,026)	-
Employee benefits expense	17	3,957,817	-
Finance costs	18	71,138	111
Depreciation and amortization expense	8	5,857	2,139
Other expenses	19	5,200,029	44,762
Total expenses		<u>7,396,315</u>	<u>47,012</u>
Profit / (Loss) before exceptional and extraordinary items and tax		103,685	7,988
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		<u>103,685</u>	<u>7,988</u>
Extraordinary Items		-	-
Profit / (Loss) before tax		<u>103,685</u>	<u>7,988</u>
Tax expense:			
Current tax		72,040	2,410
Deferred tax		(19,168)	62
Profit / (Loss) for the period from continuing operations		<u>50,813</u>	<u>5,516</u>
Earnings per equity share:	20		
(1) Basic		5.08	0.55
(2) Diluted		5.08	0.55
See accompanying notes to the financial statements			

As per our report of even date

For T N Gala & Associates
Chartered Accountants
FRN: 102951W

Talakchand N. Gala
Proprietor
MRN: 41186

Place: Navi Mumbai
Date: 10.05.2013



For & on behalf of the board

Director

Place: Navi Mumbai
Date: 10.05.2013

Director



ADESHWAR REALTY PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED

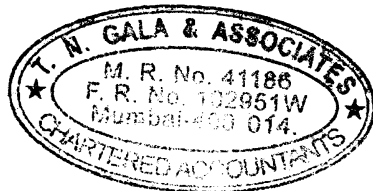
	(Amount in Rs.)	
	31-Mar-13	31-Mar-12
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	103,685	7,988
Less: Non Cash Items		
Add: Non Cash Items		
Gratuity provision		
Depreciation	124,512	-
Operating profit before working capital	5,857	2,139
(Increase)/ Decrease in Trade & Other Receivable	234,054	10,127
Increase/ (Decrease) in Current Laibilities & Provision	(329,041,829)	(1,380)
Cash generated from operation	133,273,517	12,997
Less: Tax Paid net of Refunds	(195,534,258)	21,744
Cash flow before extraordinary items	-	-
Extra Ordinary Items / Adjustments	(195,534,258)	21,744
CASH FLOW AFTER EXTARORDINARY ITEMS	-	-
	A	21,744
NET CASH USED FOR INVESTING ACTIVITIES		
(Purchase of Fixed Assets / Capital WIP)	(1,677,329)	-
	B	-
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Unsecured Loans	202,874,305	(40,000)
NET CASH FROM FINANCING ACTIVITIES	202,874,305	(40,000)
	C	(40,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	A + B + C	(18,256)
	5,662,718	(18,256)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	45,346	63,602
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	5,708,064	45,346
	5,662,718	(18,256)

As Per Report of Even Date

For T N Gala & Associates
Chartered Accountants
FRN: 102951W



Talakchand N Gala
Proprietor
MRN: 41186

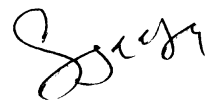


Place: Navi Mumbai
Date: 10.05.2013

For & on behalf of the Board

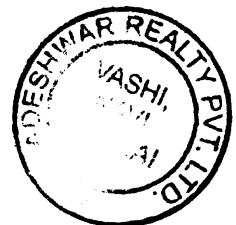


Director



Director

Place: Navi Mumbai
Date: 10.05.2013



ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1 CORPORATE INFORMATION

Aadeshwar Realty Private Limited (the company) is a Private company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged primarily in the business of Construction Contracts, Trading in Real Estate and Real Estate Development. The operations of the Company span all aspects of real estate development, from the identification and acquisition of land, planning, execution, construction and marketing of projects.

2 BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

a Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b Revenue recognition

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (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 above date, construction revenue on such projects have been recognised on percentage of completion method provided the following thresholds have been met:

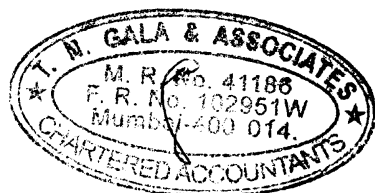
- (a) all critical approvals necessary for the commencement have been obtained;
- (b) the expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) at least 25 per cent. of the saleable project area is secured by agreements with buyers; and
- (d) at least 10 per cent. of the agreements are realised at the reporting date in respect of such contracts.

All revenue and expenditures are generally accounted on accrual basis as they are earned or incurred.

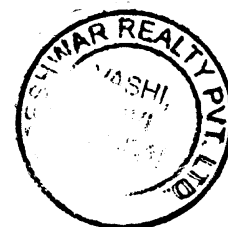
c Tangible fixed asset

Fixed asset, is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs and directly attributable cost for bringing the asset to its working condition or the intended use.

Depreciation on fixed asset is calculated on a Straight-Line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher.



Secretary *AS*



ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

d Impairment of Assets

The company assesses once in three years whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

e Inventories

i. Construction materials and consumables

The construction materials and consumables are valued at lower of cost or net realisable value. The construction materials and consumables purchased are treated as consumed and added in work-in-progress.

ii. Incomplete Projects / Construction work-in-progress

The incomplete projects / construction work-in-progress is valued at lower of cost or net realisable value. Cost includes construction costs, other direct expenditures, borrowing costs, rates and taxes, allocated overheads and other incidental expenses.

Cost of land, development rights and other directly attributable cost in relation to land will be booked as expenses when revenue will be recognised, till then the same is treated as Other Assets.

f Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

g Employee Benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

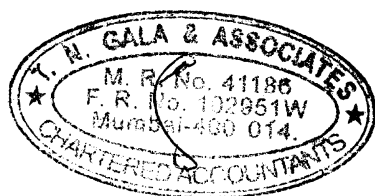
Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

h Taxation

Tax expense comprises current and deferred tax. Current tax is measured on the basis of taxable income determined in accordance with the provisions of Income-tax Act, 1961.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.



Signature

Signature



ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

i Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

j Provisions

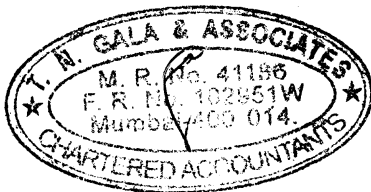
A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

k Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

l Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



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ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

	(Amount in Rs.)	
	31-Mar-13	31-Mar-12
3 SHARE CAPITAL		
Authorised Share Capital		
1,00,000 (31 March 2012: 1,00,000) Equity Shares of Rs. 10/- each	1,000,000	1,000,000
Issued, subscribed and fully paid-up shares		
10,000 (31 March 2012: 10,000) Equity Shares of Rs. 10/- each	100,000	100,000
Total issued, subscribed and fully paid-up share capital	100,000	100,000

a. Reconciliation of the shares outstanding at the beginning and at the end of reporting period

Equity Shares	31-Mar-13		31-Mar-12	
	No.	Rs.	No.	Rs.
At the beginning of the period	10,000	100,000	10,000	100,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	100,000	10,000	100,000

b. Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in INR. 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.

c. Shares held by holding / ultimate holding company and / or their subsidiaries / associates

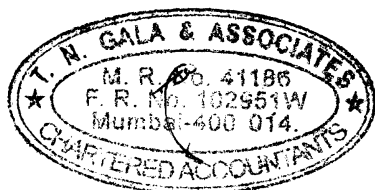
Out of equity shares issued by the company, shares held by its holding company are as below:

	31-Mar-13	31-Mar-12
Arihant Superstructures Limited, the holding company		
10,000 (31 March 2012: 10,000) equity shares of Rs. 10 each fully paid	100,000	100,000
	100,000	100,000

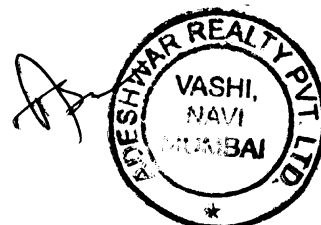
As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4 RESERVES & SURPLUS

	31-Mar-13	31-Mar-12
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	19,358	13,842
Add: Profit for the year	50,813	5,516
Total reserves and surplus	70,171	19,358



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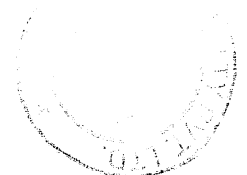


ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

	<u>31-Mar-13</u>		<u>31-Mar-12</u>	
5 BORROWINGS				
	<u>Long Term</u>		<u>Short Term</u>	
	<u>31-Mar-13</u>	<u>31-Mar-12</u>	<u>31-Mar-13</u>	<u>31-Mar-12</u>
Loan and advances from related parties (unsecured) (refer note 21)	125,000,000	-	78,802,176	927,871
	<u>125,000,000</u>	<u>-</u>	<u>78,802,176</u>	<u>927,871</u>
6 PROVISIONS				
	<u>Long Term</u>		<u>Short Term</u>	
	<u>31-Mar-13</u>	<u>31-Mar-12</u>	<u>31-Mar-13</u>	<u>31-Mar-12</u>
Employee benefits				
Provision for gratuity	124,512	-	-	-
Provision for Tax	-	-	72,040	2,410
	<u>124,512</u>	<u>-</u>	<u>72,040</u>	<u>2,410</u>
7 OTHER CURRENT LIABILITIES				
Trade payables (refer note 22 for details of dues to micro and small enterprises)			771,167	-
Bookings			130,079,289	-
Others				-
Service tax payable			942,361	-
(Gross Payable	979,422			
Service Tax credit unavailed	37,061)			
TDS payable			911,523	2,206
Audit fees payable			25,281	22,472
Salary Payable			537,219	
Retention			33,765	-
			<u>133,300,605</u>	<u>24,678</u>
9 LOANS & ADVANCES				
	<u>Long Term</u>		<u>Short Term</u>	
	<u>31-Mar-13</u>	<u>31-Mar-12</u>	<u>31-Mar-13</u>	<u>31-Mar-12</u>
Advances recoverable in cash or kind				
Unsecured considered good - A J Mendonca	-	-	-	1,000,000
Security deposit				
Secured, considered good	300,000	-	-	-
Advance to Creditors	-	-	236,969	-
Other loans and advances				
Advance income-tax	-	-	-	5,500
Cenvat Credit unavailed	-	-	15,141	-
Income Tax refund (A.Y 10-11)	-	-	226	226
Income Tax refund (A.Y 12-13)	-	-	3,090	-
	<u>300,000</u>	<u>-</u>	<u>255,426</u>	<u>1,005,726</u>

A. Sreen



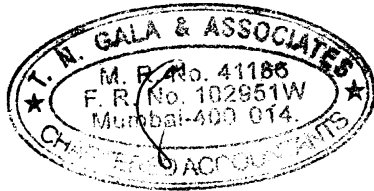
ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

8 TANGIBLE ASSETS

Particulars	Rate of Depreciation	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As on 01/04/2012	Additions	Deductions	As on 31/03/2013	As on 01/04/2012	Provided During the Year	As on 31/03/2013	As on 31/03/2013	As on 31/03/2012
Furniture & Fixtures	6.33%	33,800	-	-	33,800	9,581	2,139	11,720	22,080	24,219
Plant & Machinery	4.75%	-	675,410	-	675,410	-	2,419	2,419	672,991	-
Computer & Software	16.21%	-	51,919	-	51,919	-	1,299	1,299	50,620	-
Total		33,800	727,329	-	761,129	9,581	5,857	15,438	745,691	24,219
<i>Previous Year</i>		<i>33,800</i>	<i>-</i>	<i>-</i>	<i>33,800</i>	<i>7,442</i>	<i>2,139</i>	<i>9,581</i>	<i>24,219</i>	<i>26,358</i>

There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with AS 28 'Impairment of Assets'.



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ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

10 DEFERRED TAX ASSETS (NET)

Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	20,280	974
Gross deferred tax liability	<u>20,280</u>	<u>974</u>
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent year	38,474	-
Gross deferred tax asset	<u>38,474</u>	<u>-</u>
Net deferred tax asset	<u>18,194</u>	<u>(974)</u>

11 INVENTORIES

Incomplete Projects (WIP) (refer note 15)	26,588,026	-
	<u>26,588,026</u>	<u>-</u>

12 CASH & BANK BALANCES

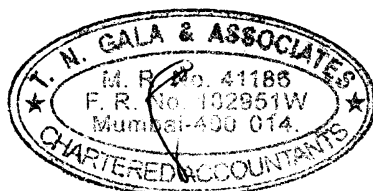
Current

Cash and cash equivalents

Balance with banks in current accounts	5,277,018	39,746
Cash on hand	431,046	5,600
	<u>5,708,064</u>	<u>45,346</u>

13 OTHER CURRENT ASSETS

Land at Dahiwali	302,904,103	-
	<u>302,904,103</u>	<u>-</u>



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ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

	(Amount in Rs.)	
	31-Mar-13	31-Mar-12
14 REVENUE FROM OPERATIONS		
Brokerage Income	-	55,000
Sale of land	7,500,000	-
	<u>7,500,000</u>	<u>55,000</u>
15 COST OF CONSTRUCTION, LAND AND DEVELOPMENT EXPENSES		
Land cost	7,288,030	-
Purchases (Arihant Arshiya)	7,030,372	-
Direct expenses (Arihant Arshiya)	10,431,098	-
	<u>24,749,500</u>	<u>-</u>
16 (INCREASE) / DECREASE IN INVENTORIES		
<u>Inventories at the end of the year</u>		
Incomplete Projects (WIP) - Arihant Arshiya	26,588,026	-
	<u>26,588,026</u>	<u>-</u>
<u>Inventories at the beginning of the year</u>		
Incomplete Projects (WIP)	-	-
	<u>-</u>	<u>-</u>
Changes in inventories of finished goods, incomplete projects (WIP) and Stock-in-trade	<u>(26,588,026)</u>	<u>-</u>
17 EMPLOYEE BENEFIT EXPENSE		
Salaries, wages and bonus	3,818,036	-
Gratuity expense	124,512	-
Staff welfare expenses	15,269	-
	<u>3,957,817</u>	<u>-</u>

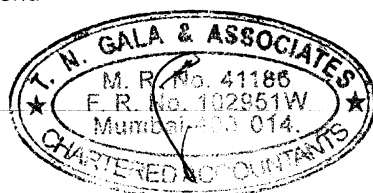
As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below: The Company is in process to create Employee's Group Gratuity Fund with Life Insurance Corporation of India for the benefit of employees.

A Gratuity Plan

The AS-15 stipulates that the rate used to discount post employment benefit obligation (both funded and non-funded) should be determined by reference to market yields at the Balance Sheet date on government bonds. The currency and terms of the government bonds should be consistent with the currency and estimated terms of the post-employment benefit obligation. Estimated future salary increases take account of inflation, seniority, promotion and other retirement factors, such as supply and demand in the employment market.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation

Obligations at beginning of the year	-	-
Interest Cost	-	-
Current Service Cost	78,133	-
Past Service Cost	46,379	-
Benefits paid	-	-
Actuarial (gain) / loss on defined benefits obligation	-	-
Obligations at year end	<u>124,512</u>	<u>-</u>



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ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows

Opening fair value of plan assets	-	-
Add / Less: Adjustments	-	-
Closing fair value of plan assets	-	-

Amounts to be recognised in the Balance Sheet

Projected benefits obligation, at the end of the year	124,512	-
Fair value of plan assets at end of the year	-	-
Net asset / (liability) to be provided in the Balance Sheet	124,512	-

Gratuity Cost for the year

Current Service Cost	78,133	-
Past Service Cost	46,379	-
Expense to be recognised in the Statement of Profit and Loss	124,512	-

18 FINANCE COSTS

Interest on TDS	67,411	-
Bank charges	3,727	111
	71,138	111

19 OTHER EXPENSES

Auditor's Remuneration	73,034	22,472
General expenses	32,412	30
Printing & stationery	659,355	-
Legal & Professional Expenses	241,712	22,060
ROC fees	3,200	200
Telephone expenses	22,000	-
Donation	6,000	-
Conveyance	53,193	-
Toll & parking charges	4,977	-
Rent for shop	161,000	-
Car expenses	131,397	-
Entertainment expenses	11,118	-
Business promotion expenses	94,000	-
Exhibition expenses	2,170,528	-
Advertisement expenses	1,536,103	-
	5,200,029	44,762

Payment to auditor

As auditor:

Audit fee	28,090	22,472
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In other capacity

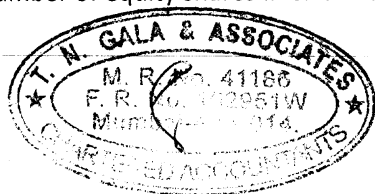
Certification matters	44,944	-
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	73,034	22,472
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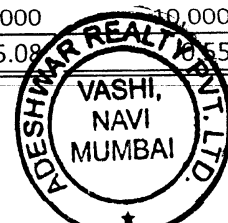
20 EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic EPS & diluted

	31-Mar-13	31-Mar-12
Profit/(loss) after tax for calculation of Basic & Diluted EPS	50,813	5,516
Weighted average number of equity shares in calculating Basic and Diluted EPS	10,000	10,000
Basic & Diluted EPS	5.08	0.55



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ADESHWAR REALTY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

21 RELATED PARTY DISCLOSURE

Names of related parties and related party relationship

a. Related parties who exercise control

Sr Name of Party

Relationship

1 M/s Arihant Superstructures Ltd Holding Company

Related party transactions

a. Loans given/taken and repayment thereof

<u>Sr</u> <u>Name</u>	<u>Opening Balance</u>	<u>Loans taken</u>	<u>Loans Repaid</u>	<u>Interest paid (net of TDS)</u>	<u>Amount payable to Related parties</u>
1 M/s Arihant Superstructure Ltd	927,871	292,000,000	112,200,000	23,074,305	203,802,176

22 There are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2013.

23 SEGMENT INFORMATION

The Company operates in a single business and geographical segment i.e. "Construction and Allied Activities" within India. Accordingly, no separate disclosures for primary business and secondary geographical segment are required as per AS 17 issued by ICAI.

24 Company has capitalised borrowing cost amounting to Rs.27,430,228/- during the year. The said borrowing cost is added to cost of land shown under head Other Assets.

25 There are no contingent liabilities as on year end.

26 There are no commitments outstanding as on year end.

27 In the opinion of the management; loans and advances are approximately of the value stated, if realised in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

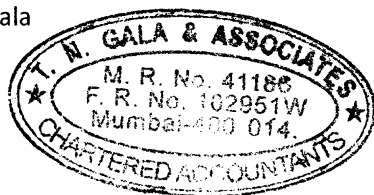
28 Balances of certain loans and advances are subject to confirmations / reconciliation and consequential adjustments, if any. The management does not expect any material difference affecting the current year's Financial Statements on such reconciliation / adjustments.

29 Previous year figures have been regrouped and rearranged wherever necessary to confirm with the current year presentation.

As per our report of even date

For T N Gala & Associates
Chartered Accountants
FRN: 102951W

Talakchand N. Gala
Proprietor
MRN: 41186



Place: Navi Mumbai
Date: 10.05.2013

For & on behalf of the board

Director

Director

Place: Navi Mumbai
Date: 10.05.2013

