

# LANDMARC

Leisure Corporation Limited

**Twenty First Annual Report  
2010-2011**

## **BOARD OF DIRECTORS**

Mrs. Paulomi Dhawan	- Managing Director
Mr. S. D. Sinha	- Whole – Time Director
Ms. Vidhi Kasiwal	- Director
Mr. Siddhartha Gangwal	- Director
Mr. S. P. Banerjee	- Director
Mr. Samsher Garud	- Director

## **AUDITORS**

Malpani & Associates  
Chartered Accountants  
307 / Chartered House,  
297 / 299, Dr. Cawasji Hormasji Street,  
Marine Lines, Mumbai – 400 002.

## **REGISTERED OFFICE**

“Avadh ” Avadesh Parisar,  
Shree Ram Mills Premises – Gate No.2,  
G.K.Marg, Worli,  
Mumbai – 400 018.

## **BANKERS**

ICICI Bank Limited  
IDBI Bank Limited  
Oriental Bank of Commerce  
HDFC Bank

## **PRACTICING COMPANY SECRETARY**

**Virendra Bhatt**

## **TWENTY FIRST ANNUAL GENERAL MEETING**

Date : 26th March 2012  
Day : Monday  
Time : 10.00. a.m  
Place : Victora Memorial School For The Blind  
Opp. Tardeo A/C Market,  
73, Tardeo Road, Mumbai – 400 034.

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## NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the members of the **LANDMARC LEISURE CORPORATION LIMITED** will be held on 26th March 2012 at 10.00 a.m. at Victoria Memorial School For The Blind, Opp. Tardeo A.C. Market, Tardeo Road, Mumbai – 400 034 to transact the following Business:

### Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 30th September 2011, Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a director in place of Mr. Siddhartha Gangwal who retires by rotation and being eligible, offers himself for reappointment.
3. To reappoint M/s. Malpani & Associates, Chartered Accountants to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorise the Board of Directors to fix their remuneration.

### Special Business:

4. To Consider and if thought fit, to pass, with or without modifications' the following Resolution as a Special Resolution:

**"RESOLVED THAT** Mr. S. D. Sinha who fulfills the conditions specified in Part I and Part II of Schedule XIII of the Companies Act, 1956, be and is hereby appointed as Whole Time Director of the Company w.e.f. 16th June 2011 for a period of Three (3) years subject to the approval of the shareholders of the Company"

**"FURTHER RESOLVED THAT** Remuneration of ₹. 50,000/- p.m. for the period of three (3) years shall be paid including the remuneration to be paid to him in the event of absence of inadequacy of profits and upon such terms and conditions set out in the draft agreement submitted to this meeting and signed by the chairman for the purpose of identification, which agreement is hereby specifically sanctioned with the liberty to the Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of the Directors and Mr. S. D. Sinha as per the consent of Remuneration Committee."

By Order of the Board  
**LANDMARC LEISURE CORPORATION LIMITED**

Place: Mumbai.

Date: 31st January 2012.

*Director*

Registered office:

"Avadh", Avadhesh Parisar,

G.K.Marg, Worli, Mumbai-400 018.

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A proxy form duly completed and stamped, must reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. Members desiring any information on the accounts are requested to write to the Company, which should reach the company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 17th March 2012 to 24th March, 2012 (both days inclusive).
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days excepting

## LANDMARC LEISURE CORPORATION LIMITED

Saturdays and Holidays, between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

5. Members / Proxies should bring the attendance slip sent herewith, duly filled in, for attending the meeting. You are requested to bring the copy of Annual Report sent to you.
6. **INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT**

As required under the Listing Agreement, the particulars of the Directors who are proposed to be re-appointed is furnished below:

1) Item No.2 of the Notice

Name	:	Mr. Siddhartha Gangwal
Age	:	30 Years
Qualification	:	B.Com, MBA
Expertise	:	Finance
Date of appointment	:	17th March 2009

2) Item No. 4 of the Notice:

Name	:	Mr. S. D. Sinha
Age	:	65 years
Qualification	:	BA (HONS); B.L
Date of appointment	:	17th June 2002

Mr. Siddhartha Gangwal is not holding directorship in any other Public Limited Company and not having Chairmanship and Membership in any other Committees of other Limited Companies.

The Company has received a notice in writing from a member along with requisite deposit of ₹. 500/-, proposing the candidature of Mr. Siddhartha Gangwal for the office of Director of the Company under Section 257 of the Companies Act, 1956.

The Board of Directors accordingly recommends the resolution as set out in Item No. 2 of the Notice for your approval.

None of the Directors of the Company other than Mr. Siddhartha Gangwal is interested or concerned in the resolution.

BY ORDER OF THE BOARD  
**For, LANDMARC LEISURE CORPORATION LIMITED**

Date: 31st January, 2012

Place: Mumbai.

Registered Office:

"Avadh", Avadhesh Parisar,

G.K.Marg, Worli, Mumbai-400 018.

**DIRECTOR**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

At the Annual General Meeting held on 26th March 2009, the members of the Company had approved the appointment of Mr. S. D. Sinha as Whole Time Director of the Company for a period of 3 years from 17.06.2008 to 16.06.2011, on the terms and condition stated under the related resolution placed at the said AGM. By seeing his services, experience and the contributions made by him towards the Company it has been decided to reappointment him as a Whole Time Director of the Company for a further period of 3years.

In the Board meeting and Remuneration Committee meeting held on 31st January 2012 the Company has decided to reappoint Mr. S. D. Sinha for a further period of 3 years i.e 17.06.2011 TO 16.06.2014 at remuneration of ₹. 50,000/- per month.

The Directors recommend the Resolution for the approval of the members.

None of the Directors except Mr. S. D. Sinha are interested or concerned in the said Resolution.

**DIRECTOR'S REPORT**

Dear Members,

Your directors have pleasure in presenting their Twenty First Annual Report and Audited Statements of Accounts for the year ended 30th September, 2011.

**FINANCIAL RESULTS**

(₹. in lacs)

<b>PARTICULARS</b>	<b>For the year ended 30.09.2011 (Audited )</b>	<b>For the year ended 30.09.2010 (Audited )</b>
Total Income	525.17	102.05
Profit before Depreciation & Tax	(104.83)	(9.95)
Less : Depreciation	67.53	7.14
Profit / Loss before Tax	(172.35)	(17.09)
Less : Provision for Taxation		
Current Taxation	00.00	00.00
Deferred Tax	16.46	00.63
Profit After Tax	(188.81)	(17.72)
Prior Period Adjustment	(00.00)	(00.44)
Income Tax for earlier years	00.00	00.00
Dividend and TDS Written Back	00.00	00.00
Profit / Loss brought forward :		
From previous year	(2680.85)	(2662.69)
Profit / Loss carried to Balance Sheet	(2869.66)	(2680.85)

**DIVIDEND**

In view of the accumulated losses, the Directors express their inability to recommend any Dividend on Equity Shares and on Preference Shares.

**REVIEW OF OPERATIONS**

**The Company has posted a Loss of ₹. 188.81 lacs for the current year.**

**MANAGEMENT DISCUSSION AND ANALYSIS**

As per the figures released the estimated market for "wellness" services has been growing at the annual rate of 20 percent. The company has realized the potential of the wellness industry in India and the need for trained manpower to support the industry.

In keeping with the trend the company has been taking necessary steps for commencing full operations of its state of the art training centre known as Svastii Wellness Academy at Andheri, Mumbai. The academy is being manned by highly trained and experienced personal and will also offer courses that are recognized by international examination board such as CIBTAC/ITEC. The company's first spa Svastii is already operational at Powai.

## **DIRECTORS**

Mr. Siddhartha Gangwai retires by rotation from the Board in the forthcoming Annual General Meeting and being eligible offers himself for reappointment at the said Annual General Meeting.

## **FIXED DEPOSITS**

The Company has not accepted any Fixed Deposits from the public during the year.

## **AUDITORS**

The auditors M/s Malpani & Associates, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Members are requested to appoint them as auditors and authorize the Board to fix their remuneration.

## **PERSONNEL**

There is no employee drawing remuneration covered under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Sub-Section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:-

1. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures.
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the Annual Accounts on a going concern basis .

## **PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The particulars required under Section 217 (1) (e) of the Companies Act, 1956, in respect of conservation of energy and technology absorption are not applicable to the Company.

## **FOREIGN EXCHANGE EARNING AND OUTGO**

Earning	: Nil (Previous Year Nil)
Travelling	: ₹ 8.26 Lacs ( Previous Year ₹ 4.33 Lacs)

## **REPORT ON CORPORATE GOVERNANCE**

A detailed report on Corporate Governance has been included as an attachment to this Report.

**DISCLOSURE UNDER SECTION 274 (1) (g)**

None of the Directors of the Company are disqualified for being appointed as Directors as stipulated under Section 274 (1) (g) of the Companies Act, 1956, amended by the Companies (Amendment) Act, 2000.

**AUDITOR'S QUALIFICATION**

The company has given the deposit of ₹. 1500 Lacs to SRUIL as part of an agreement whereby the company will run a wellness centre in the upcoming project of SRUIL which will finally lead to a favourable financial benefits for the company.

The company feels that the satellite rights in respect of the feature films being intangible asset will bring revenue in future and will thus be able to meet the expenses incurred on its marketing.

**ACKNOWLEDGEMENTS**

The Directors thank the Company's customers, contractors, vendors, bankers, Government and other authorities and the Shareholders for their consistent support to the Company. The Directors also sincerely acknowledge the significant contribution made by all the employees for their dedicated services to the Company.

By Order of the Board  
**For LANDMARC LEISURE CORPORATION LIMITED**

**CHAIRMAN**

Date : 31st January 2012

Place : Mumbai

## REPORT ON CORPORATE GOVERNANCE

In compliance with the Corporate Governance requirements as per the format prescribed by SEBI and incorporated in Clause 49 of the listing agreement with the Stock Exchange, the Company's policies on Corporate Governance and compliance thereof in respect of specific areas, as applicable, for the year ended 30th September, 2011 and certain information till the date of notice are set out below for information of shareholders and investors of the Company.

### 1. Company's Philosophy on Code of Governance:

The Company has worked with a philosophy and mission of good governance in every field. The Company believes that the Corporate Governance code will enhance the growth of benefits to all the stakeholders. The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with the shareholders, employees, the Government and other parties.

In so far as compliance of Clause 49 of the Listing Agreement with the Stock Exchange is concerned, the Company has complied in all material respects with the requirements of Corporate Governance specified in the Listing Agreement with the Bombay Stock Exchange.

### 2. Board of Directors:

#### 2.1 Composition of the Board of Directors (as on date of notice)

Name of the Director	Position	Executive/ Non-Executive/ Independent
Mr. S.P. Banerjee	Chairman	Non-Executive Independent
Mr. S.D. Sinha	Whole-Time Director	Executive
Mrs. Paulomi Dhawan	Managing Director	Executive
Ms. Vidhi Kasliwal	Director	Non-Executive
Mr. Samsher Garud	Director	Non-Executive Independent
Mr. Siddhartha Gangawal	Director	Non-Executive Independent
<b>Composition :</b>	<b>Independent - 50%</b>	<b>Non-Executive-66.67%</b>



None of the Directors are disqualified under section 274 (1) (g) of the Companies Act, 1956 read with Companies (Disqualification of Directors under Section 274 (1) (g) of the Companies Act, 1956) Rules, 2003.

All Directors are liable to retire by rotation except Mr. S. D. Sinha – Whole-Time Director and Mrs. Paulomi Dhawan Managing Director

Mr. Siddhartha Gangwal retires by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

## 2.2 Remuneration to Non-Executive Directors (as on 30th September 2011)

Name of Director	Sitting Fees & Others (₹.)
Mr. S.P. Banerjee	2,000
Ms. Vidhi Kasliwal	2,500
Mr. Samsher Garud	1,000
Mr. Siddhartha Gangwal	2,500
<b>Total</b>	<b>8,000</b>

Sitting fees constitute fees paid to Non-Executive Directors for attending Board and Committee Meetings.

Note: The Company has not paid the sitting fees to Mr. Samsher Garud for the Board Meeting held on 08th February 2011.

## 2.3 Managerial Remuneration:

Name of the Director	Designation	Date of Appointment/ Re-appointment	Tenure	Salary (₹.)	Provident Fund (₹.)	Ex-gratia & others (₹.)	Total (₹.)
Mrs. Paulomi Dhawan	Managing Director	03.09.2009	3 Yrs	9,00,000	1,08,000	5,91,000	15,99,000
Mr. S.D. Sinha	Whole-Time Director	16.06.2011	3 Yrs	4,29,333	51,520	NIL	4,80,853
<b>Total</b>				<b>13,29,333</b>	<b>1,59,520</b>	<b>5,91,000</b>	<b>20,79,853</b>

The total amount of remuneration indicated above does not include share of gratuity as under group gratuity scheme, separate amount for each person is not ascertainable.

**2.4 Shareholding of the Directors**
**Shareholding of the Directors as on 30th September, 2011:**

<b>Name of the Director</b>	<b>No. of Equity Shares held</b>	<b>% Holding</b>
Mrs. Paulomi Dhawan	35,00,000	0.44
Mr. Siddhartha Gangwal	50,300	*0.00
Mr. S.P. Banerjee	20,000	*0.00
Mr. S.D. Sinha	0	0
Ms. Vidhi Kasliwal	0	0
Mr. Samsher Garud	0	0

+\*being less than 0.01%.

**2.5 Attendance of Directors at the Board meetings and at the Twentieth Annual General Meeting:**

<b>Name of Director</b>	<b>No. of Board Meetings held during the year</b>	<b>No. of Board Meetings attended during the year</b>	<b>Attendance at the Twentieth Annual General Meeting</b>
Mr. S.P. Banerjee	5	4	Present
Mr. S.D. Sinha	5	4	Present
Mrs. Paulomi Dhawan	5	5	Present
Ms. Vidhi Kasliwal	5	5	Absent
Mr. Samsher Garud	5	3	Absent
Mr. Siddhartha Gangwal	5	5	Present

**2.6 Directorships and Committee Memberships of Directors in other Companies (as on 30th September, 2011)**

<b>Name of the Director</b>	<b>No. of Directorships in other Companies</b>	<b>No. of Committee Memberships in other Companies</b>	
		<b>Chairman</b>	<b>Member</b>
Mr. S.P. Banerjee	1	NIL	1
Mr. S.D. Sinha	NIL	NIL	NIL
Mrs. Paulomi Dhawan	NIL	NIL	NIL
Ms. Vidhi Kasliwal	3	NIL	NIL
Mr. Samsher Garud	NIL	NIL	NIL
Mr. Siddhartha Gangwal	NIL	NIL	NIL

Directorship and Committee Membership/ Chairmanship in Foreign Companies, Private Limited Companies and Companies registered under Section 25 of the Companies Act, 1956 are excluded.

The above information includes Chairmanship/ Membership in Audit Committee, Remuneration Committee and Shareholders'/Grievances Committee of Public Limited Companies, whether listed or not.

## **2.7 Number, Day, Date and Venue of the Board Meetings held during the year**

<b>Sr. No.</b>	<b>Day</b>	<b>Date</b>	<b>Venue</b>
1	Tuesday	2nd November, 2010	Registered Office
2	Tuesday	8th February, 2011	Registered Office
3	Tuesday	1st March, 2011	Registered Office
4	Friday	29th April, 2011	Registered Office
5	Friday	29th July, 2011	Registered Office

Five Board meetings were held during the year and the gap between any two Board Meetings did not exceed four months.

## **2.8 Review of Compliance Report by the Board of Directors**

A Compliance Certificate confirming the due compliance with the statutory requirements is placed at the Board Meeting for the review by the Board of Directors. A system of ensuring material compliance with the laws, orders, regulations and other legal requirements concerning the business and affairs of the Company is in place.

## **2.9 Code of Conduct:**

The Board of Directors has adopted the Code of Conduct & Responsibilities of the Board towards the Company in the Board Meeting held on 27th January 2006.

# **3. AUDIT COMMITTEE**

## **3.1 Constitution of Audit Committee:**

All the members of Audit Committee are Non-Executive Directors. The present Chairman of the Audit Committee is Mr. S P Banerjee. The other members of the Audit Committee are Ms. Vidhi Kasliwal and Mr. Siddhartha Gangwal.

### **3.2 Meetings of Audit Committee:-**

During the year ended 30th September, 2011, four Audit Committee meetings were held on 02.11.2010, 08.02.2011, 29.04.2011 and 29.07.2011. The attendance of each Audit Committee member is given hereunder:-

<b>Name of the Director</b>	<b>Designation</b>	<b>Number of Meetings held during the year</b>	<b>Number of Meetings attended during the year</b>
Mr. S.P. Banerjee	Chairman	4	4
Ms. Vidhi Kasliwal	Member	4	4
Mr. Siddhartha Gangwal	Member	4	4

### **3.3 Attendees:**

The Whole-Time Director, the Managing Director, the Statutory Auditors and Internal Auditors are normally invited to the Audit Committee Meetings.

### **3.4 Powers of the Audit Committee:-**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **3.5 Terms of Reference of the Audit Committee:-**

- Overseeing of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment of the Statutory Auditor and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the management, the annual financial statements before submission to the Board for approval with particular reference to:

- o Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
- o Changes, if any, in accounting policies and practices and reasons for the same;
- o Major accounting entries involving estimates based on the exercise of judgment by management;
- o Significant adjustments made in the financial statements arising out of the audit financials;
- o Compliance with listing and other legal requirements relating to financial statements;
- o Disclosure of any related party transactions;
- o Qualifications in the draft audit report.
  - Reviewing with the management, quarterly financial statement before submission to the Board for approval.
  - Reviewing with the management the performance of Statutory and Internal Auditors, adequacy of the internal control systems.
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - Discussion with the internal auditors of any significant findings and follow up thereon.
  - Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - Discussions with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
  - To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
  - To review the functioning of the whistle blower mechanism, in case same is existing.
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### 4. REMUNERATION COMMITTEE:

##### 4.1 Constitution of Remuneration Committee:

All the members of Remuneration Committee are Non-Executive Directors. The present Chairman of the Remuneration Committee is Mr. S P Banerjee. The other members of the Remuneration Committee are Ms Vidhi Kasliwal and Mr Siddhartha Gangwal.

##### 4.2 Meeting of Remuneration Committee:-

During the year ended 30th September, 2011, one Remuneration Committee meeting has been held on 29.04.2011. The attendance of each Remuneration Committee member is given hereunder:-

Name of the Director	Designation	Number of Meetings held during the year	Number of Meetings attended during the year
Mr. S.P. Banerjee	Chairman	1	1
Ms. Vidhi Kasliwal	Member	1	1
Mr. Siddhartha Gangwal	Member	1	1

##### 4.3 Terms of Reference of the Remuneration Committee:-

- The Remuneration Committee recommends to the Board the compensation terms of the Executive Directors.
- Framing and implementing on behalf of the Board and on behalf of the Shareholders, a credible and transparent policy on remuneration of Executive Directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in Designation and increase in salary of the Executive Directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate Directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of our Company and the Shareholders.

#### 5. THE SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

##### 5.1 Constitution of the Shareholders' / Investors' Grievance Committee:

The present Chairman of the Shareholders' / Investor Grievances Committee is Mr. S D Sinha. The other members of the Shareholders' / Investor Grievances Committee are Ms Vidhi Kasliwal and Mr. Siddhartha Gangwal.

**5.2 Meetings of Shareholders' / Investor Grievances Committee:**

For the financial 2010-2011 no meeting was held.

**5.3 The Terms of Reference of the Shareholders' / Investor Grievances:-**

The scope and function of this committee is to consider and review Shareholders'/Investors' Grievances and complaints and to ensure that all Shareholders'/Investors' Grievances and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/or legal impediments.

**5.4 Compliance Officer:**

Mr. Kapil Kotia is the Compliance Officer of the Company.  
Tel. No. – 61404949, Fax No. 24928617

**5.5 Shareholders Complaints:**

During the financial year ended 30th September, 2011, the Company received one complaint from a Shareholder, the same was resolved. There is no pending complaint at the end of the year.

**6. General Body Meetings:**

Location and time of General Meetings held in last 3 years:

Year	AGM/EOGM	Date	Time	Venue	Special Resolutions
2009-2010	20th AGM	28/03/2011	11.30 am	Victoria Memorial School for the Blind, Opp Tardeo A/C Market, 73, Tardeo Road, Mumbai 400 034.	NONE
2008-2009	19th AGM	29/03/2010	11.30 am	Sunville - Banquet Rooms 2nd Flr, 9, Dr. Annie Basent Road, Worli, Mumbai 400 018.	1. Appointment of Mrs. Paulomi Dhawan as Managing Director & fixing the remuneration for the same. 2. Alteration of Articles of Association u/s 31 of the Companies Act, 1956.
2007-2008	18th AGM	26/03/2009	11.30 am	Sunville - Banquet Rooms 2nd Flr, 9, Dr. Annie Basent Road, Worli, Mumbai 400 018.	NONE

**7. Disclosures:**

- A) There were no materially significant related party transactions with the promoters, Directors etc. that may have potential conflict with the interests of the company at large.
- B) There were no non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter relating to the capital markets during the last three years.
- C) There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the company.
- D) A list of transaction with related parties as per Accounting Standard AS 18 is mentioned in the Audited Accounts.

**8. Means of Communication:**

The Audit Committee, in its meeting, considers the financial results of the Company and recommends it to the Board of Directors for its approval. The financial results, as taken on record by the Board of Directors, are communicated to the Bombay Stock Exchange where the shares of the Company are listed, in accordance with the Directives of regulatory authorities in this regard. These quarterly and annual results are also published in widely circulated newspapers (Free Press in English & Nav Shakti in Marathi) as per the Guidelines issued from time to time.

**9. Certification by Whole-Time Director :**

Mr. S D Sinha, Whole Time Director, has issued a Certificate to the Board as prescribed under sub-clause V of Clause 49 of the Listing Agreement. The said Certificate was placed before the Board Meeting held on 31st January, 2012 in which the Accounts for the Financial Year ended 30th September, 2011 were considered and approved by the Board of Directors.

**10. General Shareholders information:**

**10.1 Twenty First Annual General Meeting — Day, Date, Time and Venue**

Day	Monday
Date	26th March, 2012
Time	10.00 A.M.
Venue	"Victoria Memorial School For The Blind, Opp. Tardeo A/C Market, 73, Tardeo Road, Mumbai – 400 034.



**10.2 Financial Year**

Financial Year of the Company is 1st October to 30th September.

**10.3 Dates of Book Closure (Both days inclusive)**

From : 17.03.2012

To : 24.03.2012

**10.4 Listing on Stock Exchange**

The Company's Equity Shares are listed on the following Stock Exchange:

Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001.

The Company has paid Annual Listing Fees to the abovementioned Stock Exchange for the financial year 2011-12.

**10.5 Stock Code**

<b>Script Code:</b>	<b>ISIN No. :</b>
Equity : 532275	Equity : INE394C01023

**BSE PRICE DATA**

The monthly High and Low Share Prices during the year at BSE are as under:

Months	High (₹.)	Low (₹.)
October 2010	1.23	0.98
November 2010	1.22	0.94
December 2010	1.09	0.85
January 2011	1.10	0.85
February 2011	1.02	0.74
March 2011	0.99	0.74
April 2011	1.12	0.77
May 2011	1.15	0.77
June 2011	0.92	0.72
July 2011	0.84	0.68
August 2011	0.84	0.66
September 2011	0.83	0.64

### **10.6 Registrar and Transfer Agents**

Name : Big Share Services Pvt. Ltd.  
 Address : E-2/3 Ansa Industrial Estate,  
 Sakivihar Road, Sakinaka,  
 Andheri (E), Mumbai – 400 072  
 Tel : +91-22-40430200  
 Fax : +91-22-28475207  
 E-mail : info@bigshareonline.com

### **10.7 Share Transfer System:**

Shares held in the dematerialized form are electronically traded in the Depositories and the Registrar and Share Transfer Agents of the Company, viz. Big Share Services Pvt. Ltd., periodically receive from the Depository the beneficial holdings data, so as to enable them to update their records and to send all corporate communications. Physical Shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt provided they are in order in every respect. Bad deliveries are immediately returned to Depository participants under advice to the Shareholders within the aforesaid period.

### **10.8 Distribution of Shareholding (as on 30th September, 2011):**

<b>No. of Equity Shares held</b>	<b>Share-holders Nos.</b>	<b>% of Share-holders</b>	<b>No. of Shares held</b>	<b>% of Share-holding</b>
1-5000	13,032	86.2076	1,97,56,876	2.4696
5001 - 10000	1,103	7.2964	92,75,766	1.1595
10001 - 20000	486	3.2149	75,09,923	0.9387
20001-30000	189	1.2502	48,17,172	0.6021
30001-40000	63	0.4167	22,28,430	0.2786
40001-50000	83	0.5491	39,30,040	0.4913
50001-100000	89	0.5887	67,31,480	0.8414
100001-999999999	72	0.4763	74,57,50,313	93.2188
	15,117	100.00	80,00,00,000	100.00

**10.9 Shareholding pattern (as on 30th September, 2011):**

Category	No share holders	% of share-holders	No of shares	% of shares
Clearing member	13	0.09	30,078	0.004
Corporate Bodies	255	1.69	12,47,20,900	15.590
Corporate Bodies (Promoter Co)	4	0.03	57,23,12,612	71.539
Non Resident Indians	58	0.38	34,64,168	0.433
Other Directors	2	0.01	41,00,000	0.513
Promoters	1	0.01	2,15,99,966	2.700
Public	14,781	97.78	6,77,62,276	8.470
Relatives of Director	2	0.01	60,00,000	0.750
Trust	1	0.01	10,000	0.001
	15,117	100.00	80,00,00,000	100.00

**10.10 Dematerialization of Shares and Liquidity:**

The Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the Depository Systems i.e. NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). Nearly 99.94% of total equity shares of the Company are held in dematerialized form with NSDL & CDSL.

For and on behalf of the Board,

S. P. Banerjee  
Chairman

Place: Mumbai

Date: 31st January, 2012

## CERTIFICATION BY WHOLE-TIME DIRECTOR

To,

The Board of Directors

We to the best of our knowledge & belief certify that:

We have reviewed the financial statements and the cash flow statement for the year ended 30th September, 2011 and that to the best of our knowledge and belief

- a) i. These statements do not contain any materially untrue statement or omit any material statements that might be misleading;
- ii. These statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have
  - i. Designed and ensured that such disclosure controls the procedures to ensure that material information relating to the company including its consolidated subsidiaries, is made known to us, particularly during the period on which the report is being prepared; and
  - ii. Evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and Audit Committee:-
  - i. There has been no Significant changes in internal control over financial reporting during the year,
  - ii. There has been no Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. There has been no commitment of any fraud, whether or not significant that involves management or other employees who have significant role in the company's internal controls.

**For LANDMARC LEISURE CORPORATION LIMITED**

**S D Sinha**  
**Whole-Time Director**

Place : Mumbai

Date : 31st January 2012

## AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE NO. 49 OF THE LISTING AGREEMENT

To the Members of

**Landmarc Leisure Corporation Limited**

We have examined the compliance of conditions of Corporate Governance by **Landmarc Leisure Corporation Limited** (hereinafter called the Company), for the year ended on 30th September 2011, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Our verification was carried out in accordance with the Guidance Note on Certificate of Corporate Governance (stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanations given to us and the representation made to us by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and Management, in our opinion the Company has complied in all material respect with the condition of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement. Also as required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Malpani and Associates**

Chartered Accountants

Firm Registration No. – 120438W

**Shyam Malpani**

Proprietor

Membership No. 34171

Place : Mumbai

Date : 31st January 2012

## AUDITORS' REPORT

The Members of  
**Landmarc Leisure Corporation Ltd.**

1. We have audited the attached Balance Sheet of **Landmarc Leisure Corporation Ltd.**, as at 30th September 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement of the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company during the year under review.
4. Further to our comments in the Annexure referred to in Para 3 above, we report as follows:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books;
  - (iii) The Balance Sheet, the Profit and Account and the Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts;
  - (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable;
  - (v) On the basis of written representations received from the concerned

directors and taken on record by the Board of Directors, we report that none of directors is disqualified as on 30th September, 2011 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956 as on the said date;

- (vi) (i) Refer Note No. II.6 in **Schedule – 18** regarding non-provision in the Company's books in respect of an Interest free Security deposit given by the Company based on an MOU with a body corporate amounting to ₹.1500.00 Lacs against which the Company is expected to derive benefits in the future years and hence in the management's view the same is fully recoverable, having consequential impact on the Loans & Advances, provisions and Loss for the year to the extent stated above and (ii) Note No. II.7 regarding capitalization under the fixed assets in respect of expenses incurred on Publicity and Promotion including satellite rights, instead of charging the same to revenue in departure from the recommendations of Accounting Standard- 26 Intangible Assets, on account of the which, Current year's loss is understated and fixed assets are overstated to an extent of ₹. 379.84 Lacs.
- (vii) Subject to what was stated in Para. 4 (vi) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting Policies and other Notes on Accounts in **Schedule - 18**, give the information required by the Companies Act, 1956 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 30th September 2011;
- (b) In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

**For Malpani & Associates**

Chartered Accountants

Firm Registration No. 120438 W

**Shyam Malpani**

Proprietor

Membership No. F- 34171

Place : Mumbai

Date : 31st January 2012

### Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date)

in terms of the information and explanations given to us and the books and records examined by us and on the basis of such checks as we considered appropriate, we further report as under:

- (i) The Company has updated its Fixed Assets Register to show full particulars, including quantitative details and situation of fixed assets. As explained to us, these fixed assets have been physically verified by the management at reasonable intervals during the year and that no material discrepancies were noticed on such verification.

No significant part of fixed assets has been disposed off by the Company during the year under review.

- (ii) During the year, the management has conducted physical verification of inventories comprising of shares and consumables at regular intervals. The procedures of physical verification of inventories followed by the management, in our opinion, is commensurate in relation to the size of the Company and nature of its business. The Company has maintained proper records of inventory. As explained to us no material discrepancies have been noticed upon physical verification conducted by the management.

- (iii) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

The Company has granted interest free unsecured loans to 2 bodies corporate representing parties listed in the Register maintained under Section 301 of the Companies Act, 1956 during the year under review. The maximum balance outstanding at any time during the year in respect of the said loans was ₹. 20.06 Lacs and the balance as at the end of the year was ₹. 0.5 Lacs.

In our opinion, other terms and conditions in respect of the above loans/deposits were not prima-facie prejudicial to the interests of the Company. In our opinion the Company is taking reasonable steps for recovery of the above loans. The said advances / deposits are however without formal agreements.

- (iv) In our opinion, there are internal control procedures for the provision of services and purchase of inventory by the Company. The same are adequate and commensurate with the size of the Company and the nature of its business. During our review, we have not come across any major weaknesses in the internal controls prevailing in the Company.



- (v) Transactions that need to be entered into with the parties listed in the Register maintained under Section 301 of the Companies Act, 1956 have been updated in the said Register. In our opinion, the said transactions during the year under review have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the purview of the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
- (vii) In our opinion, the Company has a formal internal audit system during the year under review, which is commensurate with the size of the Company and the nature of its business.
- (viii) As explained to us, the maintenance of cost records has not been prescribed by the Central Government for the Company under Section 209(1)(d) of the Companies Act, 1956.
- (ix) As per the records verified by us, the Company is generally regular in depositing the undisputed statutory dues involving Provident Fund, Employees' State Insurance, Income tax, Service Tax and Value Added Tax with the appropriate authorities during the year under review, and there were no outstanding undisputed statutory dues with the Company for a period of more than six months as at the close of the year. The provisions of the statutes governing Wealth Tax, Customs Duty, Investor Education and Protection Fund, Excise Duty and Cess are, as explained to us, not applicable to the Company during the year under review.

As per the records of the Company, *except for the disputed dues aggregating to ₹.58.27 relating to Income Tax*, there are no disputed dues relating to Value Added Tax, Customs duty, Wealth tax, Excise duty. The details of the disputed Income Tax due pending before Income Tax are as follows:

Assessment Year	Amount (₹ in Lacs)	Forum where dispute is pending
2006-07	50.53	Income Tax Appellate Tribunal
2008-09	7.74	Commissioner of Income Tax (Appeals)

- (x) As per the accounts verified by us, the Company's accumulated losses as at the end of the current financial year have not exceeded fifty per cent of its net worth. Also, the Company has incurred cash losses during the current year amounting to ₹. 118.88 Lacs (Previous year – ₹. 6.55 Lacs).

## LANDMARC LEISURE CORPORATION LIMITED

- (xi) The Company has not availed any loans from bank and hence the question of default in repayment of dues in respect of loans taken from banks does not arise.
- (xii) As per the records verified by us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of special statutes applicable to chit fund / nidhi/ mutual benefit fund/societies are not applicable to the Company during the year under review.
- (xiv) In respect of dealings in Shares & securities, proper records have been maintained by the Company for the transactions and timely entries have been made therein. The shares, securities held as investments are in the name of the Company.
- (xv) As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) No term loans were obtained by the Company during the year under review.
- (xvii) Based on the cash flows of the Company, we are of the opinion that the funds raised by the Company on short-term basis have been used only for the purpose intended and not for long-term investment.
- (xviii) The Company has not made preferential allotment of equity shares during the year under review. However warrant issued to the holders are converted into equity shares as per the terms agreed during the year under review.
- (xix) The Company has not issued any debentures and hence no securities are required to be created in respect thereof.
- (xx) No money has been raised by way of public issue by the Company during the year under review.
- (xxi) As per the books examined by us and based on the explanations given to us no fraud on or by the Company has been noticed or reported during the year.

**For Malpani & Associates**  
Chartered Accountants  
Firm Registration No. – 120438 W

**Shyam Malpani**  
Proprietor  
Membership No. F-34171

Place : Mumbai  
Date : 31st January 2012

# BALANCE SHEET

**BALANCE SHEET AS AT 30TH SEPTEMBER 2011**

	SCH NO	AS AT 30.09.2011 (₹)	AS AT 30.09.2010 (₹)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	825,400,000	425,400,000
Warrants Application Money		-	108,000,001
Reserves & Surplus	2	57,000,000	25,000,000
<b>Loan Funds</b>			
Unsecured Loans	3	105,174,000	31,400,000
Deferred Tax Liability		1,797,274	151,483
		<u>989,371,274</u>	<u>589,951,484</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>	4		
Gross Block		108,995,891	68,283,659
Less : Depreciation		<u>58,703,876</u>	<u>51,951,294</u>
<b>Net Block</b>		50,292,015	16,332,365
<b>Capital Work in Progress</b>		3,445,678	-
<b>Pre-operative Expenses</b>	5	10,770,695	959,402
<b>pending allocation</b>			
<b>Investments</b>	6	8,146,320	6,719,762
<b>Current Assets, Loans and Advances</b>			
Inventories	7	756,985	1,078,121
Sundry Debtors	8	107,533	-
Cash and Bank Balances	9	3,240,629	4,136,430
Loans and Advances	10	<u>646,177,074</u>	<u>310,878,631</u>
		650,282,221	316,093,183
<b>Less : Current Liabilities &amp; Provisions</b>	11	<u>20,531,598</u>	<u>18,237,934</u>
<b>Net Current Assets</b>		629,750,623	297,855,249
<b>Profit &amp; Loss Account</b>		286,965,943	268,084,704
		<u>989,371,274</u>	<u>589,951,484</u>
<b>Significant Accounting Policies &amp; Notes on Accounts</b>	18		

As per our attached report of even date

For **Malpani & Associates**  
Chartered Accountants

For and on behalf of the Board

**Shyam Malpani**  
Proprietor

**Paulomi Dhawan**  
Managing Director

**S.D.Sinha**  
Whole- Time Director

Place : Mumbai  
Date : 31st January 2012

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER, 2011**

PARTICULARS	SCH NO	FOR THE YEAR ENDED 30.09.2011 (₹)	FOR THE YEAR ENDED 30.09.2010 (₹)
<b>INCOME</b>			
Income from Business	12	52,125,912	8,527,717
Other Operational Income	13	712,739	599,065
Increase/ (Decrease) in Inventories		(321,788)	1,078,121
		<b>52,516,862</b>	<b>10,204,903</b>
<b>EXPENDITURE</b>			
Purchases	14	447,101	1,113,960
Employees' Remuneration & Benefits	15	5,767,104	2,879,959
Administrative & Other Expenses	16	22,626,267	6,142,662
Preoperative Expenses Written off		34,028,439	1,047,362
Finance Charges	17	130,823	15,985
Depreciation	4	6,752,577	713,904
		<b>69,752,310</b>	<b>11,913,832</b>
Profit/(Loss) for the year before Taxation		(17,235,448)	(1,708,928)
Provision for Taxation - Current Taxation		-	-
Deferred Tax Liability		1,645,791	63,352
Profit/(Loss) after Taxation		(18,881,239)	(1,772,280)
Prior Period Adjustments		-	(43,924)
Balance Brought forward		(268,084,704)	(266,268,500)
Balance carried to Balance Sheet		<b>(286,965,943)</b>	<b>(268,084,704)</b>
Earnings/(Loss) per Share - Basic and Diluted (Rs.)		(0.024)	(0.004)
<b>Significant Accounting Policies &amp; Notes on Accounts</b>	18		

As per our attached report of even date

For **Malpani & Associates**  
Chartered Accountants

For and on behalf of the Board

**Shyam Malpani**  
Proprietor**Paulomi Dhawan**  
Managing Director**S.D.Sinha**  
Whole- Time DirectorPlace : Mumbai  
Date : 31st January 2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER, 2011**

PARTICULARS	FOR THE YEAR ENDED 30.09.2011 (₹)	FOR THE YEAR ENDED 30.09.2010 (₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & extra ordinary items	(17,235,448)	(1,708,930)
Adjustments for:		
Depreciation	6,752,577	713,904
interest (net) & Dividend Income	(183,961)	(111,946)
	6,568,616	601,958
	<b>(10,666,832)</b>	<b>(1,106,971)</b>
<b>Operating Profit before Working Capital Changes</b>		
Adjustments for:		
(Increase)/Decrease in Stock-in Trade	321,137	(1,562,121)
(Increase)/Decrease in Trade and Other Receivables	(107,533)	-
(Increase)/Decrease in Loans & Advances	(328,900,272)	44,366,896
Increase/(Decrease) in Current Liabilities	2,293,664	(46,933,420)
(Increase)/Decrease in Miscellaneous Expenses (Assets)	(9,811,293)	(336,204,297)
	(959,402)	(5,088,047)
<b>Cash Generated From Operations</b>	<b>(346,871,129)</b>	<b>(6,195,019)</b>
Income Tax Paid(net of refund)	(6,398,165)	(1,400,409)
Net Cash Inflow/(Outflow)before Extraordinary Items	(353,269,294)	(7,595,428)
Prior Period Adjustment	-	(43,924)
<b>Net Cash flow From Operating Activities (A)</b>	<b>(353,269,294)</b>	<b>(7,639,352)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets	(44,157,909)	(16,129,619)
(Increase)/Decrease in Investments	(1,426,557)	-
Interest (net) & Dividend Income	183,961	111,946
<b>Net Cash From Investment Activities (B)</b>	<b>(45,400,505)</b>	<b>(16,017,673)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Increase/(Decrease) in Share Capital	323,999,999	-
Increase/(Decrease) in Unsecured Loan	73,774,000	13,900,000
<b>Net Cash Used in Financing Activities (C)</b>	<b>397,773,999</b>	<b>13,900,000</b>
Net Increase / (Decrease) in Cash & Cash Equivalent (A+B+C)	(895,801)	(9,757,025)
Cash & Cash Equivalent as on 1.10.2010	4,136,430	13,893,455
Cash & Cash Equivalent as on 30.09.2011	<b>3,240,629</b>	<b>4,136,430</b>

As per our attached report of even date

For **Malpani & Associates**  
Chartered Accountants

For and on behalf of the Board

**Shyam Malpani**  
Proprietor

**Paulomi Dhawan**  
Managing Director

**S.D.Sinha**  
Whole- Time Director

Place : Mumbai  
Date : 31st January 2012

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30TH SEPTEMBER 2011**

<b>PARTICULARS</b>	<b>AS AT 30.09.2011 (₹)</b>	<b>AS AT 30.09.2010 (₹)</b>
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
994,000,000 Equity Shares of ₹.1/- each	994,000,000	994,000,000
1,060,000 1 % Redeemable Cumulative Preference Shares of ₹.100/- each	106,000,000	106,000,000
	<u><b>1,100,000,000</b></u>	<u><b>1,100,000,000</b></u>
<b>Issued, Subscribed and Paid-up</b>		
800,000,000 Equity Shares of ₹.1/- each fully paid up	800,000,000	400,000,000
254,000 1 % Redeemable Cumulative Preference Shares of ₹.100/- each fully paid up	25,400,000	25,400,000
	<u><b>825,400,000</b></u>	<u><b>425,400,000</b></u>
<b>SCHEDULE - 2</b>		
<b>RESERVES AND SURPLUS</b>		
Securities Premium Account	57,000,000	25,000,000
	<u><b>57,000,000</b></u>	<u><b>25,000,000</b></u>
<b>SCHEDULE - 3</b>		
<b>UNSECURED LOANS</b>		
From Bodies Corporate (Interest Free)	105,174,000	31,400,000
	<u><b>105,174,000</b></u>	<u><b>31,400,000</b></u>

**SCHEDULE- 4**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30TH SEPTEMBER 2011**  
**FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 30.09.2010	Additions/ Capitalised	Deduction	As at 30.09.2011	Upto 30.09.2010	For the year	Upto 30.09.2011	As at 30.09.2011
<b>I- TANGIBLE ASSETS</b>								
Furniture & Fixtures	4,625,863	24,818	-	4,650,681	4,426,978	31,853	4,458,831	191,850
Office Equipment & Other Assets	16,522,080	-	7,795	16,514,285	16,429,311	10,565	16,439,876	74,409
Computer & Printers	31,142,605	402,030	-	31,544,635	30,343,153	200,266	30,543,419	1,001,216
Motor Cars	542,086	-	-	542,086	206,272	51,497	257,769	284,317
Artifx	136,559	-	-	136,559	136,559	-	136,559	-
Saloon Tools	263,605	15,171	-	278,776	263,605	15,171	278,776	-
Leasehold Improvements	12,395,661	134,380	-	12,530,041	114,649	4,145,544	4,260,193	8,269,850
Civil Work	4,195,870	-	-	4,195,870	34,487	1,398,624	1,433,111	2,762,759
Furniture & Fixture	2,520,944	67,180	-	2,588,124	31,998	844,118	876,116	1,712,008
Signage	70,428	-	-	70,428	579	23,476	24,055	46,373
Electrical Installation & Fittings	582,426	67,200	-	649,626	6,275	194,816	201,091	448,535
Preoperative Expenses (FA)	5,025,995	-	-	5,025,995	41,310	1,684,510	1,725,820	3,300,175
Air Conditioners	426,000	-	-	426,000	499	20,234	20,733	405,267
Electronic Items	293,192	15,750	-	308,942	10,755	14,281	25,036	283,906
Equipment & Machineries	1,478,036	161,293	-	1,639,329	15,918	75,551	91,469	1,547,860
Fire Extinguishers	23,300	-	-	23,300	27	1,107	1,134	22,166
<b>II- INTANGIBLE ASSETS</b>								
Software	434,673	145,876	179,292	401,257	3,573	170,069	173,642	227,615
Satellite Rights	-	40,000,000	-	40,000,000	-	2,016,439	2,016,439	37,983,561
<b>TOTAL</b>	<b>68,283,660</b>	<b>40,899,318</b>	<b>187,087</b>	<b>108,995,891</b>	<b>51,951,299</b>	<b>6,752,577</b>	<b>58,703,876</b>	<b>50,292,015</b>
Previous Year	52,154,040	16,129,619	-	68,283,659	51,237,405	713,904	51,951,294	16,332,362



**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30TH SEPTEMBER 2011**

<b>PARTICULARS</b>	<b>AS AT 30.09.2011 (₹)</b>	<b>AS AT 30.09.2010 (₹)</b>
<b>SCHEDULE - 5</b>		
<b>PRE-OPERATIVE EXPENDITURE PENDING ALLOCATION</b>		
Incurred during the Year		
Commission & Brokerage	23,808	670,700
Professional Fees	945,405	1,106,700
Rent	-	1,486,358
Retainership Fees	674,943	631,096
Printing & Stationery	415,492	367,571
Salaries	4,503,338	1,151,001
Other Related Expenses	4,207,710	1,464,490
Less: Transferred to Profit & Loss Account	-	(1,047,362)
Less: Capitalised during the year	-	(4,871,152)
Closing Balance	<u>10,770,695</u>	<u>959,402</u>

**SCHEDULE - 6****INVESTMENTS****Long Term Investment**

(At Cost, as adjusted for diminution) (Non-Trade)

IN SHARES, UNITS, DEBENTURES, BONDS ETC.

	<b>Face Value (₹)</b>	<b>Quantity</b>	<b>Amount (₹)</b>	<b>Quantity</b>	<b>Amount (₹)</b>
<b>(I) QUOTED</b>					
<b>In fully paid Equity Shares :</b>					
Astra Microwave Products Ltd.	2	-	-	2,000	149,400
D-Link (India) Ltd.	2	5,000	249,472	5,000	249,472
Shree Ashtavinayak Cine Vision Ltd.	1	4,000	191,400	-	-
Niryat Sam (Apparels) India Ltd.	10	9,100	18,200	9,100	18,200
Satyam Computer Services Ltd.	2	-	-	1,000	119,290
Ucil Leasing Ltd.	10	9,600	400	9,600	400
Umred Agro Complex Ltd.	10	40,000	80,000	40,000	80,000
			<u>539,472</u>		<u>616,762</u>
Less :Permanent Diminution in Quoted Investments			-		-
Net Book Value of Quoted Investments <b>Total(a)</b>			<u>539,472</u>		<u>616,762</u>
<b>In Mutual Fund :</b>					
HDFC Cash Management Fund - Treasury Advantage			1,503,847		-
Plan - Retail - Daily Dividend(Reinvest)					
<b>Total(b)</b>			<u>1,503,847</u>		<u>-</u>

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30TH SEPTEMBER 2011**

PARTICULARS	AS AT 30.09.2011 (₹)		AS AT 30.09.2010 (₹)	
	Face Value (₹)	Quantity	Amount (₹)	Quantity
<b>(ii) UNQUOTED</b>				
<b>In fully paid equity shares</b>				
Dewas Soya Ltd.	10	10,000	100,000	10,000
Bombay Mercantile Bank Ltd	30	100	3,000	100
<b>Total(c)</b>			<b>103,000</b>	<b>103,000</b>
<b>In Debenture:</b>				
Accelerated Performance Fund - Nifty Linked Debentures issued by Barclays Investments & Loan (India) Limited (Administered by Religare PMS)	1,000,000	6	6,000,000	6
<b>Total(d)</b>			<b>6,000,000</b>	<b>6,000,000</b>
Aggregate Book Value of Quoted Investments	<b>Total(a+b)</b>		2,043,320	616,762
Aggregate Book Value of Unquoted Investments	<b>Total(c+d)</b>		6,103,000	6,103,000
			<b>8,146,320</b>	<b>6,719,762</b>
<b>Aggregate Market Value of Quoted Investments</b>			2,005,137	624,410
<b>SCHEDULE - 7</b>				
<b>INVENTORIES</b>				
Stock of SPA			756,985	1,078,121
			<b>756,985</b>	<b>1,078,121</b>
<b>SCHEDULE - 8</b>				
<b>SUNDRY DEBTORS</b>				
(Unsecured, considered good, unless otherwise stated)				
Exceeding six months, considered good			-	-
Exceeding six months, considered doubtful			1,647,533	1,665,416
Less : Provision for doubtful debts			(1,540,000)	(1,540,000)
Less : Written Off			-	(125,416)
			<b>107,533</b>	<b>-</b>
<b>SCHEDULE - 9</b>				
<b>CASH AND BANK BALANCES</b>				
Cash in Hand			28,873	289,700
Balance with Scheduled Banks				
In Current account			1,857,533	2,571,481
In Fixed Deposit account			1,354,223	1,275,249
			<b>3,240,629</b>	<b>4,136,430</b>

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th SEPTEMBER 2011**

<b>PARTICULARS</b>	<b>AS AT 30.09.2011 (₹)</b>	<b>AS AT 30.09.2010 (₹)</b>
<b>SCHEDULE - 10</b>		
<b>LOANS &amp; ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind		
or for value to be received	635,416,638	306,516,360
Tax Deducted at Source, Income Tax Paid & Refund receivable	10,760,436	4,362,271
	<u><b>646,177,074</b></u>	<u><b>310,878,631</b></u>

**SCHEDULE - 11**  
**CURRENT LIABILITIES & PROVISIONS**

**(a) Current Liabilities**

Sundry Creditors for Expenses	16,059,233	15,250,568
Other Liabilities	3,347,964	2,064,251

**(b) Provision**

Taxation	460,000	460,000
Leave Encashment	355,377	190,000
Gratuity	309,024	273,115
	<u><b>20,531,598</b></u>	<u><b>18,237,934</b></u>

**SCHEDULES FORMING PART OF THE PROFIT & LOSS  
FOR THE YEAR ENDED 30TH SEPTEMBER 2011**

<b>PARTICULARS</b>	<b>AS AT 30.09.2011 (₹)</b>	<b>AS AT 30.09.2010 (₹)</b>
<b>SCHEDULE - 12</b>		
<b>INCOME FROM BUSINESS</b>		
Management Consultancy Fees (TDS ₹.479,767/- Previous Year ₹.927,479/-)	4,797,663	9,182,176
Less: Service Tax Recovered	<u>(448,012)</u>	<u>4,349,651 (857,448)</u>
Sales & Service Income from SPA	8,372,612	88,910
Less: VAT/ Service Tax Recovered	<u>(607,085)</u>	<u>(8,412)</u>
Profit on Sales of Shares & Securities	-	122,491
Internet Streaming	10,734	-
Sale of Satellite Rights	40,000,000	-
	<u><b>52,125,912</b></u>	<u><b>8,527,717</b></u>
<b>SCHEDULE - 13</b>		
<b>OTHER INCOME</b>		
Dividend	6,347	22,250
Interest	177,614	89,696
Sundry Balance written Back	-	487,119
Sale of Scrap	500,000	-
Miscellaneous Income	28,777	-
	<u><b>712,739</b></u>	<u><b>599,065</b></u>
<b>SCHEDULE - 14</b>		
<b>PURCHASES</b>		
Purchase Body Care	361,999	567,461
Purchase Other	2,413	50,168
Purchase Retail OTC	82,689	496,331
	<u><b>447,101</b></u>	<u><b>1,113,960</b></u>
<b>SCHEDULE - 15</b>		
<b>EMPLOYEES' REMUNERATION &amp; BENEFITS</b>		
Salaries, Allowance, Bonus, Gratuity & Other benefits	5,320,249	2,590,019
Contribution to Provident Fund	390,181	274,692
Staff Welfare	56,674	15,248
	<u><b>5,767,104</b></u>	<u><b>2,879,959</b></u>

**SCHEDULES FORMING PART OF THE PROFIT & LOSS  
FOR THE YEAR ENDED 30TH SEPTEMBER 2011**

<b>PARTICULARS</b>	<b>AS AT 30.09.2011 (₹)</b>	<b>AS AT 30.09.2010 (₹)</b>
<b>SCHEDULE - 16</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Consumable Purchase	374,262	-
Directors' Remuneration & Sitting Fees	1,757,333	1,650,150
Directors' Foreign Travelling Expenses	826,403	432,301
Discount Allowed	968,420	30,607
Electricity Expenses	442,476	28,447
Travelling & Conveyance	529,159	438,515
Legal , Professional & Retainership Charges	3,610,864	911,479
Rent	8,198,767	201,210
Communication Charges	322,868	239,248
Loss on Sales of Shares & Securities	47,175	-
Vehicle Expenses	316,063	244,169
Auditor's Remuneration	97,500	217,500
Filing Fees & Stamp Duty	541,683	59,690
Office Expenses	233,854	242,471
Business Promotion	144,447	-
Sundry Expenses	4,205,972	1,349,714
Seminar Expenses	5,000	63,000
Diminution of Investment	4,020	34,162
	<u><b>22,626,267</b></u>	<u><b>6,142,662</b></u>
<b>SCHEDULE - 17</b>		
<b>FINANCE CHARGES</b>		
Interest	31,343	5,888
Bank Charges	99,480	5,145
Demat Charges	-	4,953
	<u><b>130,823</b></u>	<u><b>15,985</b></u>

**SCHEDULES FORMING PART OF THE ACCOUNTS: 30.09.2011**

**Schedule - 18**

**Significant Accounting Policies & Notes on Accounts:**

**I. Significant Accounting Policies**

**1. Basis of Accounting**

The financial statements have been prepared on accrual basis, except wherever otherwise stated, under the historical cost convention, in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of Section 642 and the relevant provisions of the Companies Act, 1956.

**2. Income Recognition**

- (i) Dividend income is recognized on receipt basis.
- (ii) Management Consultancy fees and income from SPA activities is recognised on accrual basis. Discounts offered to the customers are shown separately as expenses.

**3. Fixed Assets**

- i) Fixed assets are stated at cost of acquisition /construction including all costs attributable to bringing the assets to their working condition, less accumulated depreciation.
- ii) Assets individually costing less than ₹. 5000/- are fully depreciated in the year of purchase.
- iii) Pre-operative expenditure incurred during the construction period is capitalized under the relevant Fixed Asset, upon commencement of the commercial operations, in accordance with the generally accepted accounting principles.

**4. Depreciation/Amortisation**

- (i) Depreciation is provided on fixed assets as per the Straight Line Method at the rates and in the manner stipulated in Schedule XIV to the Companies Act, 1956 except for Mobile Handsets in respect of which, the Company adopts writing off the entire value in three years from the date of their acquisition (i.e., at 33 1/3% per annum). The Company estimates that the recoverable value at the end of specified period would be insignificant in respect of those assets.
- (ii) Satellite Rights in respect of a feature film are amortised in ten equal annual installments.
- (iii) Leasehold improvements are amortized over the period of primary lease term.

## 5. Investments

All investments are classified as Long Term Investments and are carried at the cost of acquisition. Permanent diminution in the book value of long-term investments with reference to the market value and other relevant factors is recognized and charged to the Profit and Loss Account.

## 6. Borrowing Costs

Borrowing costs attributable to the acquisition and construction of assets are capitalised as part of cost of respective assets up to the date when such assets are ready for their intended use. Other borrowing costs are charged to revenue.

## 7. Taxation

Provision for Current tax is made as per the relevant provisions applicable under the Income Tax Act, 1961. Deferred tax asset/liability arising on account of timing difference and capable of reversal in subsequent periods is recognized using the tax rates and tax provisions that have been enacted or substantively enacted as at the Balance Sheet date.

## 8. Inventories

Beauty products and accessories as taken valued and certified by one of the Directors, are valued at the lower of the cost and estimated net realisable value.

## 9. Retirement Benefits

- a) Liability for Gratuity is provided for in the accounts on the basis of actuarial valuation basis.
- b) Liability for leave encashment for the employees is provided for in the accounts on accrual basis.

## 10. Earnings per Share

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of subsequent issue of shares.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 11. Impairment of Assets

The Company identifies assets to be impaired based on cash generating unit concept at the year end in terms of paragraphs 5 to 13 of the Accounting Standard -28 issued by the Institute of Chartered Accountant of India for the purpose of arriving at Impairment loss there on, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged against the revenue of the year.

## **12. Contingent Liabilities and Provisions**

Disputed liabilities and claims against the Company including claims raised by the revenue authorities pending in appeal for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes on accounts.

However, present obligation as a result of a past event with possibility of outflow of resources, when reliably estimated, is recognised in accounts, wherever applicable.

## **13. 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 disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

## **II. Notes on Accounts**

### **1. Contingent liabilities**

- a. Arrears of dividend on Redeemable Cumulative Preference Shares - ₹. 22.01 Lacs (Previous Year – ₹. 19.47 Lacs).
- b. Contingent Liabilities as may arise on account of non/delayed compliance of certain fiscal statutes—Amount unascertainable (Previous Year – Amount unascertainable).
2. 2,54,000 1% Redeemable Cumulative Preference Shares of ₹. 100/- each fully paid up amounting to ₹. 254.00 Lacs are redeemable at the end of five years from the date of issue, on 30th January 2013 (as extended).
3. During the year, the Company has converted its preferential warrants into Equity shares of face value ₹. 1 each, aggregating to ₹. 40.00 crores at a premium of ₹. 0.08 per warrant.
4. a) The Company has provided liability for gratuity payable to its eligible employees as per actuarial valuation, in line with the recommendations of the Accounting Standard -15, Employee Benefits. Following are the details in respect of gratuity (Non-funded):

### **Profit and Loss Account**

Net employee benefit expenses (recognized in Employee cost)

<b>Particulars</b>	<b>30.09.2011 (₹)</b>	<b>30.09.2010 (₹)</b>
Current Service Cost	35,909	1,66,456
<b>Total included in “Employee Benefit Expenses”</b>	<b>35,909</b>	<b>1,66,456</b>



**Balance Sheet**

## Details of provision for gratuity

Particulars	2010-11 (₹)	2009-10 (₹)
Liability at the end of the year	3,09,024	2,73,115
<b>Amount in Balance Sheet</b>	<b>3,09,024</b>	<b>2,73,115</b>

Changes in the present value of the defined benefit obligation are as follows:

Particulars	2010-11 (₹)	2009-10 (₹)
Liability at the beginning of the year	2,73,115	1,06,659
Current Service Cost	35,909	1,66,456
Benefits paid	-	-
<b>Liability at the end of the year</b>	<b>3,09,024</b>	<b>2,73,115</b>

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	2010-11	2009-10
Discount Rate	8.50%	8.25%
Expected Rate of Return on Assets	0%	0%
Salary Escalation Rate (p.a.)	6%	6%
Employee Attrition Rate	2%	2%
Retirement Age	58 Years	58 Years

b) Leave encashment provided in the books of accounts during the year is ₹. 3,55,377 (Previous Year- ₹. 1,90,000).

5. Loans and Advances include the following amounts due / recoverable from concerns in which directors of the Company are interested as directors/ members:

Name of Concern	Maximum Balance during the year (₹. In Lacs)	Balance as at 30.09.11 (₹. in Lacs)	Balance as at 30.09.10 (₹. in Lacs)
Lotus Wellness Spa Pvt. Ltd.	1.66	0.5	1.66
First Row Lifestyle Pvt. Ltd.	18.39	NIL	18.39

6. In the earlier year the company has given an interest free security deposit of ₹. 1500 Lacs to SRUIL as per MOU for establishment and running of wellness centre in the upcoming project of SRUIL, as per the terms of which the company is entitled to share revenue with SRUIL/society for a specific period.

7. During the year, the Company has incurred publicity and promotion expenses including satellite rights, in respect of a feature film amounting to ₹. 740.28 Lacs, of which, the management is of the view that ₹. 400.00 Lacs would represent the future economic benefit of the satellite rights and has accordingly capitalised the same under Intangible assets. Had the same been charged of to revenue during current year losses for the year would have been overstated with a similar understated of fixed assets by ₹. 379.84 Lacs.
8. Based on a revenue sharing agreement entered into between the Company and SKM Real Infra Limited (formerly SKM Fabric (Andheri) Limited), the Company has given an interest free deposit of ₹. 47.29 Crores (previous year – ₹. 14.00 Crores) in relation to the Wellness Academy and other allied activities being set up in the portion of a commercial premises developed by SKM Real Infra Limited.
9. Certain balances under the heads Loans and Advances and Current Liabilities are subject to confirmation from respective parties and consequential reconciliation, if any.
10. In the opinion of the management, the Current Assets, Loans and Advances are approximately of the values stated in the financial statements if realised in the ordinary course of business and necessary provisions for all known liabilities have been made.
11. Travelling expenses of ₹. 9.86 Lacs (Previous Year – ₹. 6.69 Lacs) were incurred in respect of a director of the Company.
12. The Company has entered into the education sector by starting the business of SPA Wellness Academy under the brand name Svastii, to provide quality education and training to aspirants. Svastii Wellness Academy will offer a wide range of courses across various wellness and beauty related areas. The operation of the Academy will start in near future, against which the Company has incurred expenses amounting to ₹.107.71 Lacs (Previous year ₹. 9.59 Lacs) till date and which has been accounted under Pre-operative expenses pending allocation.
13. a. No provision for Current tax for year has been considered, in view losses incurred by the Company.  
b. Deferred tax:

(₹. in Lacs)

Particulars	2010-11	2009-10
(a) Deferred tax Liabilities on account of:		
Depreciation	20,02,574	291,807
(b) Deferred tax assets on account of:		
Employee Benefits	2,05,300	140,324
Balance in Deferred tax Liability (Net) (a)-(b)	17,97,274	1,51,483

Tax rate considered for the above purposes is 30.90% (Previous Year: 30.30%)

- c. Deferred tax Assets arising due to brought forward losses under the Income Tax Act, 1961 were not recognized in the accounts as a matter of prudence.

14. As per the requirements of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, the following information is disclosed:

(Amount in ₹. Lacs)

Sr. No.	Particulars	Current Year	Previous Year
a)	(i) The principal amount remaining unpaid to any supplier at the end of the accounting year included in Sundry Creditors	Nil	Nil
	(ii) The interest due on above	Nil	Nil
	<b>The total of (i) &amp; (ii)</b>		
b)	The amount of interest paid by the buyer in terms of Section 16 of the Act.	Nil	Nil
c)	The amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
d)	The amounts of interest accrued and remaining unpaid at the end of the year	Nil	Nil
e)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified in the Act.	Nil	Nil

15. Earnings/(Loss) Per Share:

Particulars	Current Year	Previous Year
Amounts used as numerator – Profit/(Loss) for the year (₹.)	(188,81,239)	(17,72,280)
Preference dividend	(2,54,000)	(2,54,000)
Amount available to Equity Shareholders	(1,91,35,239)	(20,26,280)
No. of Equity Shares used as denominator (Nos.)	80,00,00,000	40,00,00,000
Nominal value per Equity Share (₹.)	1.00	1.00
Earnings / (Loss) Per Share (₹.)	(0.024)	(0.005)

16. Auditors' Remuneration:

(₹. In Lacs)

Particulars	Current Year	Previous Year
Audit Fees	1.00	1.00
Tax Audit Fees	0.50	0.50
Certification and other matters	0.68	0.68
<b>Total</b>	<b>2.18</b>	<b>2.18</b>

17. Directors' Remuneration:

Remuneration of Directors (including Managing Director) is as under:

(₹. In Lacs)

Particulars	Current Year	Previous Year
Remuneration to Managing Director	14.91	14.91
Remuneration to Whole Time Director	4.29	3.60
Provident Fund Contribution	1.60	1.51
Sitting Fees paid to Directors	0.08	0.08
<b>Total</b>	<b>20.88</b>	<b>20.10</b>

18. Leased out Premises:

The Company has leased out a premises on operating lease basis. Lease payments made during the year debited to Profit and loss account is ₹. 81.99 Lacs (Previous year ₹. 2.01 lacs) & capitalised during the year is ₹. Nil (Previous Year ₹. 11.07 lacs). The amount of future minimum lease payments/commitment under non-cancellable are as under:

(₹. in Lacs)

Period	As at 31.03.2011	As at 31.03.2010
Not later than one year	88.74	80.48
Later than one year but not later than five years	255.20	147.55

19. The Company has identified three reportable Segments viz, Wellness Business, Landmarc Films and Management Consultancy. Segments have been identified & reported taking into account nature of services rendered by the Company, the differing risks and returns & the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

₹. in Lacs

Sr. No.	Particulars	Management Consultancy		Wellness Business		Landmarc Films		Unallocable		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1	Segment Revenue										
	External Turnover	47.98	91.82	83.95	0.89	400.17	-	6.84	7.22	538.94	99.93
	Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-
	Gross Turnover	47.98	91.82	83.95	0.89	400.17	-	6.84	7.22	538.94	99.93
	Less: VAT/ Service Tax Recovered	4.48	8.57	6.07	0.08	-	-	-	-	10.55	8.66
	Net Turnover	43.50	83.25	77.88	0.80	400.17	-	6.84	7.22	528.39	91.27
2	Segment Result before Interest and Taxes	(46.82)	(74.25)	(162.55)	(28.67)	39.50	-	(3.96)	(75.03)	(173.82)	(177.95)
	Less: Interest Expenses	-	-	0.04	-	-	-	0.28	0.04	0.31	0.04
	Add: Interest Income	-	-	-	-	-	-	1.78	0.90	1.78	0.90
	Add: Exceptional Item	-	-	-	-	-	-	-	-	-	-
	Profit Before Tax	(46.82)	(74.25)	(162.58)	(28.67)	39.50	-	(2.46)	(74.17)	(172.35)	(177.09)
	Current Tax	-	-	-	-	-	-	-	-	-	-
	Deferred Tax	-	0.63	-	-	-	-	16.46	-	16.46	0.63
	Profit After Tax	(46.82)	(74.88)	(162.58)	(28.67)	39.50	-	(18.92)	(74.17)	(188.81)	(177.72)
3	Other Information										
	Segment Assets	111.41	37.98	1,830.79	1,745.18	389.68	-	4,897.48	1,617.89	7,229.37	3,401.05
	Segment Liabilities	-	3.25	47.45	35.66	2.81	-	173.02	144.98	223.29	183.89
	Depreciation	1.81	1.57	45.55	5.54	20.16	-	-	0.03	67.53	7.14

- a. Revenue & Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue & Expenses which relates to enterprise as a whole are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b. Segment assets & liabilities represent assets & liabilities in respected segments. Tax related assets & other liabilities that cannot be allocated to a segment as a reasonable basis have been disclosed as "Unallocable".

The Company deals only in one geographical area i.e. India hence there is no secondary segment as reportable.

**20. Related party Disclosure**

- (i) Key Management personnel
 

(a) Mrs. Paulomi Dhawan	Managing Director
(b) Mr. S D Sinha	Whole Time Director
- (ii) Relatives of Key Management Personnel  
None
- (iii) Subsidiaries & Fellow Subsidiaries  
None
- (iv) Associates  
None

(₹. in Lacs)

(a) Particulars	(b) Key management Personnel	(c) Associates	(e) Closing Balances
Remuneration & Perquisites	20.88 (20.01)	---	---
Foreign Travelling Expenses	8.26 (4.33)	---	---
Unsecured Loans taken	Nil (Nil)	Nil (Nil)	Nil (Nil)

**Notes:**

- (a) Related party relationships are as per the information provided by the Company and relied upon by the auditors.
- (b) Previous year's figures are given in brackets.

21. The Company had in its previous year undertaken physical verification of the Fixed assets and based on the said exercise has decided to remove from the books a substantial portion of Gross block which was fully depreciated in the books amounting to ₹. 1,972.55 Lacs

## 22. Disclosure as regards Accounting Standard-29 (Provisions, Contingent Liabilities and Contingent Assets).

(₹. in Lacs)

Particulars	Opening balance as on 01-10-2010	Provision during the year	Payment / Adjustment during the year	Closing Balance as on 30-09-2011
Provision for Gratuity	2.73	0.36	Nil	3.09
Provision for Leave Encashment	1.90	1.65	Nil	3.55

## 23. Information pursuant to Schedule –VI and paragraphs 3 and 4 of Part II of Schedule VI to the Companies Act, 1956

(a). Quantitative information in respect of consumables purchased, consumed and sold are given as follows:

i)	<b>Consumables</b>	<b>Units</b>	<b>Quantity</b>	<b>Value (₹.)</b>
	Opening Stock		-	5,69,975
	Purchases	Packed	534	3,61,999
	Shortage/ Excess, if any		-	-
	Consumed		-	5,20,830
	Sales (if any)		-	-
	Closing Stock	Packed	-	3,74,340
		Unpacked	-	36,804
ii)	<b>Packing Materials</b>	<b>Units</b>	<b>Quantity</b>	<b>Value (₹.)</b>
	Opening Stock		-	-
	Purchase		-	-
	Shortage/ Excess, if any		-	-
	Sales (if any)		-	-
	Closing Stock		-	-
iii)	<b>Finished Goods</b>	<b>Units</b>	<b>Quantity</b>	<b>Value (₹.)</b>
	Opening Stock	No.	706	5,08,798
	Purchase	No.	118	85,102
	Consumed	No.	88	69,251
	Sales	No.	269	1,78,808
	Closing Stock	No.	467	3,45,841
	Shortage/ Excess, if any	No.	-	-
iv)	<b>Goods in process</b>	<b>Units</b>	<b>Quantity</b>	<b>Value (₹.)</b>
	Opening Stock		-	-
	Closing Stock		-	-

(i) Earnings in Foreign Exchange – ₹. Nil (Previous year - Nil)

(ii) Foreign Exchange Outgo: Travelling Expenses ₹. 8.26 Lacs (Previous year - ₹. 4.32 Lacs)

## 24. Figures representing the previous year have been regrouped / rearranged wherever considered necessary.

25. Information pursuant to Part-IV of Schedule VI to the Companies Act, 1956;

**Balance Sheet Abstract and Company's General Business Profile**

**I. Registration details**

Registration No.	:	60535
State Code	:	11 (Maharashtra)
Balance Sheet Date	:	30th September 2011

**II. Capital raised during the Year (Amount ₹. in Lacs)**

Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

**III. Position of Mobilisation and Deployment of Funds (₹. in Lacs)**

Total Liabilities	:	9893.71
Total Assets	:	9893.71

**(a) Sources of Funds**

Paid up Capital	:	8254.00
Warrant Application Money	:	Nil
Reserves & Surplus	:	570.00
Secured Loans	:	Nil
Unsecured Loans	:	1,051.74

**(b) Application of Funds**

Net Fixed Assets	:	502.92
Capital work in progress	:	34.46
Pre-operative Expenses	:	
Pending Capitalisation	:	107.71
Investments	:	81.46
Net Current Assets	:	6,297.51
Miscellaneous Expenditure	:	Nil

**IV. Performance of Company**

Turnover	:	521.26
Total Expenditure	:	697.52
Profit/Loss Before Taxation	:	(172.35)
Profit/Loss After Taxation	:	(188.81)
Earnings/(Loss) per share (Annualised)	:	(0.024)
Dividend	:	Nil

**V. Generic Names of Principal products of the Company**

Item Code No. (ITC Code)	:	Not Applicable
Product description	:	Entertainment and Investment business

For and on behalf of the Board

Place : Mumbai  
Date : 31st January 2012

Paulomi Dhawan  
Managing Director

S.D.Sinha  
Whole- Time Director



**LANDMARC LEISURE CORPORATION LIMITED**

Regd office : " Avadh" Avadesh Parisar , Shree Ram Mills Premises,  
G.K Marg , Worli , Mmumai – 400018.

**ANNUAL GENERAL MEETING 26th March 2012.****ATTENDANCE SLIP**

(to be handed over at the entrance of the meeting hall)

* Clint ID No. :	Reg. Folio No. :
* Clint ID No. :	Reg. Folio No. :

I certify that I am Registered Share Holder / Proxy of the Company and hold \_\_\_\_\_ shares. I here by record my presence at the Twenty First Annual General Meeting being held at "Victoria Memorial School For The Blind, Opp. Tardeo A/C Market, 73, Tardeo Road, Mumbai – 400 034. On Monday 26th March 2012. at 10.00 a.m.

\_\_\_\_\_  
Name of the Member / Proxy (In block letter)

\_\_\_\_\_  
Member's / Proxy's Signature

**Notes:**

1. A member / proxy wishing to attend the meeting must complete this Admission Slip and hand it over at the entrance.
2. If you intend to appoint a proxy , please complete the proxy form below and deposit it at the Company's Registered Office at least 48 hours before the meeting.

**ANNUAL GENERAL MEETING 26th March 2012.****ATTENDANCE SLIP**

(to be handed over at the entrance of the meeting hall)

* Clint ID No. :	Reg. Folio No. :
* Clint ID No. :	Reg. Folio No. :

I / We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being Member(s) of Landmarc Leisure Corporation Limited hereby appoint \_\_\_\_\_ or failing him / her \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as proxy to attend and vote for me / us on my / our behalf at the Twenty First Annual General Meeting of the Company to be held on Monday, 26th March 2012. at 10.00 a.m. and at any adjournment there

Place : Mumbai

Date :

\_\_\_\_\_  
Signature

- The Proxy form duly completed must be received at the Company's Registered Office at the least 48 hours before the meeting.
- Applicable to shareholders holding shares in Demat form.

If undelivered please return to :

**Bigshare Services Pvt. Ltd.**

E/2, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,

Andheri (E), Mumbai - 400 072.