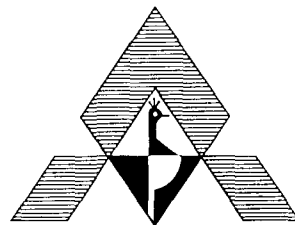


22nd
ANNUAL REPORT
2011 - 2012



Manraj Housing Finance Limited

Registered Office :

3, Pushpa Apartment,
General Vaidya Chowk,
Jalgaon – 425 002.

Board of Directors :

Shri. Ishwarlal S. Jain	Chairman & Managing Director
Shri. Manish I. Jain	Director
Shri. Pramod N. Mehta	Director
Shri. Suganchand K. Raka	Director
Shri. Ramvilas K. Rathi	Director
Shri. Prashant J. Agrawal	Director
Shri. Purushottam T. Wani	Director

Bankers :

State Bank of India
Axis Bank Ltd.
ICICI Bank Ltd.
Jalgaon Peoples co-op Bank Ltd.
Shri. Mahavir Sahakari Bank Ltd.

Registrar & Share Transfer Agents :

Bigshare Services Private Limited.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri(E)
MUMBAI – 400 072.

Auditors :

N. S. Doshi & Co.
Chartered Accountants
18, Visanji Nagar,
Jalgaon – 425 001.

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● **NOTICE:**

Notice is hereby given that 22nd Annual General Meeting of the members of Manraj Housing Finance Limited will be held at 3, Pushpa Apartment, General Vaidya Chowk, Jalgaon – 425 002 on Saturday the 29th Day of September, 2012 at 10.00 a.m. to transact with or without modification as may be permissible the following business.

● **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the Financial year ended 31st March, 2012 and the Balance Sheet as at that date and the report of the Auditors and Directors thereon.
2. To appoint Auditors for the year 2012-2013 and authorize the Board of Directors to fix their remuneration. M/s. N. S. Doshi & Co. Chartered Accountants, auditors of the company retire at the conclusion of ensuing Annual General Meeting and are eligible for reappointment.
3. To appoint Director in place of Shri Prashant J. Agrawal who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Director in place of Shri. Purushottam T. Wani who Retires by rotation and being eligible offers himself for reappointment.

Jalgaon.
1st August, 2012.

By Order of the Board
For MANRAJ HOUSING FINANCE LTD.

Registered Office

3, Pushpa Apartment, General Vaidya Chowk,
Jalgaon – 425 002.

ISHWARLAL S. JAIN
Chairman and Managing Director

● **NOTICE:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Members are requested to notify immediately any change in their addresses to the company.
3. Members desirous of having any clarification or additional information on the accounts of the company, may please write to the company atleast one week before the date of Annual General Meeting.
4. As a measure of economy, copies of Annual Report will not be distributed at the meeting members are therefore requested to bring their copies of the Annual Report.

DIRECTORS' REPORT

To
The Members,
Manraj Housing Finance Limited,
3 Pushpa Apartment,
Gen Vaidya Chowk,
Jalgaon

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Accounts for the year ended 31st March 2012.

1. FINANCIAL RESULTS

Sr. No.	Particulars	(Rupees in Lakhs)	
		Year ended 31 st March 2012	Year ended 31 st March 2011
1.	Gross Income	260.07	203.65
2.	Profit Before Depreciation and Income Tax	131.11	65.40
3.	Depreciation	0.10	0.22
4.	Provision for Tax (Provision for tax w/back)	42.09	21.47
5.	Net Profit After Tax	89.01	43.93
6.	Deferred Tax Credit (Current Year)	(2.09)	(3.73)
7.	Add : Amount B/F from previous year	41.59	47.66
8.	Amount available for appropriation	130.61	91.59
9.	Transfer to Special Reserve under Sec. 36(1)(viii) of the Income Tax Act, 1961.	0.00	50.00
10.	Transferred to General Reserve	40.00	0.00
	Balance Carried Forward	90.61	41.59

2. OPERATIONS

During the year under consideration the company has achieved a gross income of turnover of Rs. 260.07 lacs. After charging all expenses, the company has earned a profit of Rs. 89.01 Lacs as against Rs. 43.93 Lacs in the preceding year.

Your directors are looking forward to better business prospects and are hopeful of better performance in the current financial year.

3. DIVIDEND

To conserve the resources your Directors are not recommending payment of any dividend to the shareholders.

4. DIRECTORS:

Shri Prashant J Agrawal and Shri. Purushottam Wani, retires by rotation and being eligible to offer themselves for re-appointment at the ensuing Annual General Meeting. Brief resume of the above Directors, nature of their expertise in specific functional areas as stipulated under clause 49 of the Listing Agreement with Stock Exchange are given in the section on Corporate Governance elsewhere in the Annual Report.

5. UNCLAIMED DEPOSITS

As of 31st March 2012 there are no outstanding deposits.

6. AUDITORS

Term of present statutory Auditor of the company N. S. Doshi & Co., Chartered Accountants, Jalgaon, is ending on ensuing Annual General Meeting. The company has approached Mr. N. S. Doshi, Proprietor of the firm to inform their willingness to continue as Statutory Auditor of the company for the next financial year and provide the declaration on eligibility if they are re-appointed in the Meeting. They informed their willingness and eligibility to the company to continue as Statutory Auditor of the company. The Board recommends their re-appointment and members are requested to appoint the auditors.

7. AUDITORS' REPORT

(i) Grant of loans.

As for the loans of Rs.3,00,00,000/- sanctioned during the year on the basis of an agreement to create security as and when required and referred to by the auditors in their report, your director would like to state that all borrowers are parties of good reputation and have also repaid Rs.77,10,000/- till 31-03-12 and management expects to recover the entire dues in the near future.

(ii) Write off of Bad Debts of Rs. 13,30,892/-

As for the bad debts written off of Rs.13,30,892/- your Directors would like to state that all those debts were outstanding since long and in any case the commercial viability of recovering the amounts through legal cases is very less and the charge created on the assets are not vacated by the company and will continue till the loans are recovered fully.

(iii) The company has not undertaken any construction / manufacturing activity during the year review and as such question of maintaining any records in terms of Sec. 209(1)(d) under of the Companies Act, 1956 read with Cost Accounting Records Rules 2011 (which have become applicable to the company w.e.f .1.4.2011) does not arise.

8. DIRECTORS' RESPONSIBILITY STATEMENT PERSUANT TO SECTION 217 (2AA):

In terms of the amendment to Section 217 of the Companies Act 1956, your directors have to state as under in respect of the Audited Accounts for the year ended 31st March 2012.

- I. That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed to the extent applicable along with proper explanation relating to material departures if any;
- II. That the directors have 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 of that period;

III. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

IV. That the directors have prepared the annual accounts on a going concern basis.

9. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report a separate report on Corporate Governance, Managing Director's certificate together with a certificate from the Company's Auditors and on compliance is set out in the annexure forming part of Annual Report.

10. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

The Company is not engaged in manufacturing activities and therefore, there is no information required to be furnished in respect of conservation of energy and absorption of technology. The information in respect of foreign Exchange earnings/outgoings is NIL.

11. PARTICULARS OF EMPLOYEES

The Company did not have any employee falling within the scope of section 217 (2A) of the Companies Act, 1956.

12. VOLUNTARY DELISTING FROM ASE/JSE:

During the period under review company has delisted its shares voluntarily from Ahmedabad Stock Exchange Limited. w.e.f. 24/11/2011 and Jaipur Stock Exchange Limited. w.e.f. 31/12/2011. Confirmation of delisting was received from concerned Exchanges.

13. ACKNOWLEDGEMENT

Your Directors would like to thank the Company's Bankers, viz State Bank of India and Jalgaon Peoples Co-operative Bank Limited and other banks and their employees , the Shareholders of the Company and the authorities of the National Housing Bank for their continued support and co-operation.

FOR AND ON BEHALF OF THE BOARD

Jalgaon
Date: 21st May 2012

ISHWARLAL S. JAIN.
(Managing Director)

PRAMOD MEHTA
(Director)

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

It has been the continuous endeavor of the company to exceed and excel the laid down regulatory parameters through better Corporate Governance. The company follows fair and transparent governance practices. It is the desire of the Management to institutionalize the "Framework of Corporate Governance and Code of Practices." The Management believes in leveraging the resources to translate dreams in to realities. During the year, the company has fine-tuned its governance and corporate practices in line with revised clause 49 of the listing agreement.

Your company continues to follow procedures and practices in conformity with the code of Corporate Governance as enunciated in the Listing Agreement. In keeping with the spirit of the Code, your Board constituted Committees such as an Audit Committee, Share Transfer Committee and Shareholders/Investors Grievance Committee. Details of the implementation of the Code follow in the paragraphs below.

BOARD OF DIRECTORS

Your Board of Directors monitors Company performance, closely watches the performance of the Management, approves and reviews strategy, and, through its various Committees, evaluates management. Your Board ensures legal and ethical conduct and accurate financial reporting. It holds itself accountable not only to the shareholders, but also to other stakeholders.

LIST OF BOARD OF DIRECTORS AS ON 1st MAY 2012.

1. Mr. Ishwarlal S. Jain	Managing Director
2. Mr. Manish I. Jain	Director.
3. Mr. Pramod N. Mehta	Director
4. Mr. Suganchand K. Raka	Director
5. Mr. Ramvilas Rathi	Director
6. Mr. Prashant Agrawal	Director
7. Mr. Purushottam Wani.	Director

The company has seven Directors out of which four are non- executive Directors. The Non-Executive Directors are professionals, with expertise and experience in general corporate management, legal, finance, banking and other allied fields.

The Company is managed by the Managing Director under the supervision and control of the Board of Directors.

The Company has not entered into any materially significant transactions with its promoters, directors or the management or relatives etc., which may have potential conflict with the interests of the Company at large.

The Constitution of the Board as on 1st May 2012.

Sr. No.	Name of Director	Category	No. of Board Meeting Attended During 2011-12.	Total number of Outside Committee Memberships (Other than in private companies) as on 1/5/2012	Total number of Outside Chairmanships of Committees held (other than in private companies) as on 1/5/2012.	Number of directors held (excluding alternate directors and directorships in private companies) as on 1/5/2012	Whether Attended Last AGM	Remarks
1.	Ishwarlal Jain	NI-E	06	NIL	NIL	NIL	YES	
2.	Manish Jain	NI-NE	08	NIL	NIL	NIL	YES	
3.	Pramod Mehta	NI-NE	10	NIL	NIL	NIL	YES	
4.	Suganchand Raka	IND-NE	10	NIL	NIL	NIL	YES	
5.	Ramvilas Rathi	IND-NE	10	NIL	NIL	NIL	YES	
6.	Prashant Agrawal	IND-NE	10	NIL	NIL	NIL	YES	
7.	Purshottam Wani	IND-NE	10	NIL	NIL	NIL	YES	

* NI-E Non Independent Executive; NI-NE means Non-Independent Non-Executive; IND-NE means Independent Non Executive.

During the financial year 2011-12, 11 (Eleven) Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings of the company were held on following date and the individual attendance to the directors is as follows:

Date	Ishwarlal Jain	Manish Jain	Pramod Mehta	Suganchand Raka	Ramvilas Rathi	Prashant Agrawal	Purushottam Wani
16/04/2011	YES	YES	YES	YES	YES	YES	NO
26/05/2011	YES	NO	YES	YES	YES	YES	YES
30/07/2011	YES	NO	YES	YES	YES	YES	YES
02/09/2011	NO	YES	YES	NO	YES	YES	YES
09/09/2011	NO	YES	YES	YES	YES	YES	YES
28/10/2011	YES	YES	YES	YES	YES	YES	YES
18/11/2011	NO	NO	YES	YES	YES	YES	YES
25/11/2011	NO	YES	YES	YES	YES	YES	YES
13/01/2012	NO	YES	YES	YES	NO	YES	YES
31/01/2012	YES	YES	NO	YES	YES	YES	YES
31/03/2012	YES	YES	YES	YES	YES	NO	YES

BOARD PROCEDURE

To enable the Board discharge its responsibilities effectively, a detailed Agenda folder is sent to each Director in advance of Board and Committee meetings. The Managing Director briefs the Board at every meeting on the overall company performance and progress. A detailed functional report is also placed at every Board Meeting. The functions performed by the Board include reviews of:

- ❖ Strategy and business plans.
- ❖ Annual operating and capital expenditure budgets
- ❖ Compliance with statutory/regulatory requirements and review of major legal issues
- ❖ Adoption of quarterly/half yearly/annual results.
- ❖ Major accounting provisions and accounting policies.

DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Shri. Prashant J. Agrawal and Shri. Purushottam T. Wani, retire by rotation and being eligible offer them for re-appointment at the ensuing Annual General Meeting.

PROFILE OF DIRECTORS SEEKING RE-APPOINTMENT

Shri Prashant J. Agrawal is an eminent Chartered Accountant. He is Director of the company since 2003. His knowledge and expertise in the field of accountancy and finance have helped the company to the large extent.

Shri Purushottam T. Wani was appointed a director of the company since 2003. Since then he has been of immense help to the company. His experience in Business has helped the company to a large extent.

REMUNERATION OF DIRECTORS

None of the Directors of the Board have been paid any remuneration/sitting fees during the year.

COMMITTEES OF THE BOARD

Audit Committee

The company has constituted an Audit Committee as set out in clause 49 of Listing Agreements with the Stock Exchanges read with sec. 292A of the Companies Act, 1956. The terms of reference are broadly as follows:

- a) To review the companies financial reporting process
- b) To review the compliance of Internal Control System
- c) To review findings of Internal Auditors
- d) To discuss various aspects of accounts and audit with the Statutory Auditors and Internal Auditors
- e) To review quarterly, half yearly and annual financial results of the company
- f) To make recommendation on appointment of statutory auditors and fixation of their remunerations
- g) Details as per revised clause 49

The composition of Audit Committee and the details of meeting attended by the Directors are given below:

Sr. No.	Name of Member	Designation	No. of Committee meetings held	No. of Committee meetings attended
1.	Suganchand K. Raka	Chairman (Independent)	05	05
2.	Ramvilas Rathi	Member (Independent)	05	05
3.	Prashant Agrawal	Member (Independent)	05	05
4.	Purushottam Wani	Member (Independent)	05	05

During the year five committee meetings were held on following dates:

- (i) 26th May, 2011
- (ii) 30th July, 2011
- (iii) 28th October, 2011
- (iv) 31st January, 2012
- (v) 31st March, 2012

The Audit Committee invites the Managing Director and other Directors of the Company to the Meetings. The representatives of auditors also attend the meetings.

The broad terms of reference of the audit committee are, to review the internal controls, to meet statutory auditors and discuss their findings, suggestions and other issues relating to company operations. The scope also includes areas prescribed by clause 49II (D) of listing agreement.

Shareholders' Grievance Committee

The Shareholders Grievance Committee was constituted for redressal of Investors' Complaints. The composition and role of committee is as under:

Sr. No.	Name of Member	Designation
1.	Suganchand K. Raka	Chairman
2.	Manish I. Jain	Member
3.	Prashant J. Agrawal	Member

One meeting of the Shareholders' Grievance Committee was held on 18th November, 2011.

The committee oversees all matters encompassing the Shareholders/Investors related issues. Given below is the table of grievances received and resolved:

Received/Referred From	Total Complaints Received during the year 2011-2012.	Total Complaints Resolved	Pending Complaints As on 01.04.2012
Investor	3	3	NIL
SEBI	1*	1	NIL
Stock Exchanges	NIL	NIL	NIL

There is no grievance from shareholders remaining unresolved as every effort is made to immediately redress investors' grievances without loss of time.

* One Complaint was answered / resolved from the company's end. However as per the SEBI Letter dated 30th November 2009 . Ref No. IM/PEND/11/2009 the status of the compliant is still pending.

Share Transfer Committee

The Share Transfer Committee of the Board of Directors has been delegated the powers to attend to share transfer/transmission approvals etc. The constitution of share transfer committee comprises of Mr. Ishwarlal S. Jain M.D. Mr. Prashant J Agrawal, Mr. Purshottam Wani Directors of the Company.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report forms a part of Directors' Report. All the matters pertaining to the said report are discussed in the Directors' Report

IMPLEMENTING INSIDER TRADING CODE OF CONDUCT

The Company follows strict guidelines in respect of insiders stock trading and related disclosures. The code is based on the same SEBI framework and is more stringent than the statutory Code being enforced by the SEBI. The Board of Directors and the Audit Committee have implemented the code observance in the Company. Mr. D. B. Patil, General Manager of the company is the designated Compliance Officer to oversee its implementation. All the concerned people have been identified and required disclosures are obtained.

GENERAL SHAREHOLDER INFORMATION

1. Means of Communication.

Newspaper: The company publishes its quarterly results in the following newspapers :

Sr. No.	Name of Newspaper	Area of Circulation
1	Free Press Journal	Whole of India
2	Nav Shakti	Maharashtra
3	Gavkari	Jalgaon District

2. Details of non-compliance

There was no non-compliance by the Company on any matters related to capital markets during the last three years.

3. Compliance Officer.

Name & Designation	Address and Contact Details
Mr. D. B. Patil General Manager	3, Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon Ph. No. 0257-2226681 Fax.: 0257- 2226482 E-Mail: mhfljal@rediffmail.com

4. General Meeting (AGM)

Last three years AGM Date & place of meeting.

Annual General Meeting		ADDRESS
YEAR	DATE	
21 st AGM	24 th Sept. 2011	3 Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon
20 th AGM	25 th Sept. 2010	3 Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon
19 th AGM	30 th Sept. 2009	3 Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon

Special Resolution if any passed by postal ballot: NIL

5. Shareholders information

A	Date of AGM & Time & Venue	29 th September 2012 3, Pushpa Apartment, Akashwani Chowk, Jalgaon.
B	Financial Year	1 st April, 2011 to 31 st March, 2012
C	Date of Book Closure	NA.
D	Dividend Payment Date	N.A.
E	Stock Exchange Listing	The company's equity is listed on Bombay Stock Exchange Limited. The Annual listing fees of all the stock exchanges have been paid. During the period under review company has delisted its shares from Ahamdabad Stock Exchange Limited, Jaipur Stock Exchange Limited and confirmation of the delisting is received by the company
F	Stock exchange code of the Company (Script code)	BSE – 530537
G	No of shares in Demat form	NSDL 95,600 CDSL 13,74,200 Physical Mode 35,30,200 Total 50,00,000

H. Stock Exchange Data for the year 2011-2012.

Company has listed its shares on Bombay Stock Exchange Limited, and during the period under review has applied and delisted its shares from Ahamdabad Stock Exchange Limited, Ahamdabad and Jaipur Stock Exchange Limited, Jaipur.

The shares of company are not regularly traded and as such particulars of High/Low Price and Quantity traded are not available.

I. Registrar & Share Transfer Agent Details :

Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri, (E) Mumbai. 400 072
Ph No: 022-28470652 / 40430200
Fax No: 022-28475207
Email:- info@bigshareonline.com.

J. Distribution Schedule As on 31st March 2012.

Share holding of Nominal Value Rs	No. of Share Holders	Amount in Rs.	% to total Share Capital
UPTO 5000	376	9,70,000	1.9400
5001 TO 10000	141	12,15,000	2.4300
10001 TO 20000	54	7,96,000	1.5920
20001 TO 30000	19	4,79,000	0.9580
30001 TO 40000	8	2,80,000	0.5600
40001 TO 50000	4	1,80,000	0.3600
50001 TO 100000	14	10,08,000	2.0160
100001 AND ABOVE	22	4,50,72,000	90.1440
TOTAL	638	5,00,00,000	100.000

K. Shareholding Pattern As on 31.03.2012

Category		No. of Shares held	Percentage of Shareholding.
A	Promoter's holding		
1	Promoters		
	- Indian Promoters	31,41,300	62.8260
	- Foreign Promoters/Holding Company	--	--
2	Persons acting in Concert	--	--
	SUB TOTAL	31,41,300	62.8260
B	Non-Promoters Holding		
3	Institutional Investors	NIL	NIL
a	Banks, Financial Institution, Insurance Companies (Central/State Govt. Institutions/ Non-Government Institutions)	NIL	NIL
	SUB TOTAL	NIL	NIL
4	Others (Employees/Relatives)	200	0.0040
a	Private Corporate Bodies	366000	7.3200
b	Indian Public	14,92,500	29.8500
c	NRIs/OCBs FIIS	NIL	0.00
	SUB TOTAL	18,58,700	37.1740
	GRAND TOTAL	50,00,000	100.00

L. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, likely to impact on equity. - NIL

M Address for Correspondence

3, Pushpa Apartment,
Gen. Vaidya Chowk,
JALGAON. (M.S)
Ph.No:-0257-2226681,82
Fax No:- 0257- 2226482
E-Mail: mhfljal@rediffmail.com

FOR AND ON BEHALF OF THE BOARD

Jalgaon
Date: 21st May 2012 .

ISHWARLAL S. JAIN.
(Managing Director)

PRAMOD MEHTA
(Director)

AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE

To
The Members of
Manraj Housing Finance Ltd.

1. We have examined the compliance of conditions of corporate governance by Manraj Housing Finance Ltd. for the year ended on 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Clause of the Listing Agreement.
4. 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 N.S. Doshi & Co.,
Chartered Accountants**

Jalgaon
21st May 2012.

**(N.S.Doshi-Proprietor)
M. No. 10212**

CEO/CFO CERTIFICATION TO THE BOARD

I Certify that...

- a. I have reviewed the financial statements and the cash flow statement for the year 2011-12 and that to the best our of knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of our knowledge and belief, no transactions entered during the year 2011-12 which are fraudulent, illegal or violative of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee -
 - i. Significant changes in internal control over the financial reporting during the year 2011-12;
 - ii. Significant changes in accounting policies during the year 2011-12 and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

Sd/-

Shri. ISHWARLAL S. JAIN
MANAGING DIRECTOR

Place: Jalgaon

Date : 21st May, 2012

Pushkar V. Shukre

Company Secretary

70/5, Navale Nagar, Gulmohar Road, Savedi,
Ahmednagar 414003. E-mail: pushkar@csshukre.in

Regn. No. : 055000

Nominal Capital: Equity Shares Of Rs 7, 49,90,000 and Preference shares of Rs. 10,000

[SEE RULE 3]-

**Under Section 383 A of the Companies Act, 1956 & Rule 3
of the Companies (Compliance Certificate) Rules, 2001
Compliance Certificate**

**To,
The Members
Manraj Housing Finance Limited
3, Pushpa Apartment, General Vaidya Chowk,
Jalgaon**

I have examined the registers, records, books and papers of **Manraj Housing Finance Limited** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a listed public Limited Company has the minimum prescribed paid up capital of above Rupees Five Lacs and comments are not required.
4. The Board of Directors duly met 11 (Eleven) times on 16/04/2011, 26/05/2011, 30/7/2011, 02/09/2011, 09/09/2011, 28/10/2011, 18/11/2011, 25/11/2011, 13/01/2012 31/01/2012, and 31/03/2012 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company did not close its Register of Members during the year under scrutiny.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 24/09/2011 after giving due notice to the members of the Company and the resolutions passed

Pushkar V. Shukre

Company Secretary

70/5, Navale Nagar, Gulmohar Road, Savedi,
Ahmednagar 414003. E-mail: pushkar@csshukre.in

thereat were duly recorded in Minutes Book maintained for the purpose.

7. No Extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its Director or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contract in which the provisions of section 297 of the Act are attracted.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. The Company was not required to obtain any approvals from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act wherever applicable.
12. The Board of Directors has not issued any Duplicate Share Certificates during the year under scrutiny.
13. The Company has:
 - i. Not made allotment of securities during the financial year. The Company has transferred/Transmitted the shares/securities as per the provisions of the Companies Act and other applicable provisions of SEBI guidelines during the year through their Agent
 - ii. Not deposited any amount in a separate Bank Account as no dividend was declared during the financial year under scrutiny.
 - iii. Not Paid/posted warrants for dividends as no dividend was declared during the financial year under scrutiny.
 - iv. Not transferred any amounts to Investor Education and Protection Fund since there are no such unclaimed amounts.
 - v. Duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole-time Director/ Manager during the financial year.
16. The Company has not appointed any sole-selling agent during the year under scrutiny.
17. As informed, the Company was not required to obtain any approvals from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. As informed to me the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the year under scrutiny.

Pushkar V. Shukre
Company Secretary

70/5, Navale Nagar, Gulmohar Road, Savedi,
Ahmednagar 414013. E-mail: pushkar@csshukre.in

21. There was no redemption of any preference shares or debentures during the year.
22. There was no transaction necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. As informed to me The Company has not invited / accepted deposits as referred under sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review. However company has accepted unsecured loans from non members.
24. The Company has not made any borrowings during the financial year ended on 31/03/2012.
25. The Company has not made loans and investments, or given guarantees or provided securities to other bodies corporate and consequently no entries has been made in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered the provisions of the Articles of Association of the Company during the year under scrutiny.
31. According to the information and records available for our verification and representation received from the Directors of the Company there was No prosecution initiated against or shows because notices received by the Company for alleged offences under the Act and also no fines and penalties or any other punishment were imposed on the Company in such cases.
32. The Company has not received any security from its employees during the year under Certification.
33. The Company has not constituted its Provident Fund under section 418 of the Companies Act, 1956 and hence provisions of section 418 of the Act do not apply to the Company.

Place: Pune

Date: 21/05/2012

Signature.

Name : PUSHKAR SHUKRE

M. No. : 27890

CP No. : 9998

Pushkar V. Shukre

Company Secretary

70/5, Navale Nagar, Gulmohar Road, Savedi,
Ahmednagar 414003. E-mail: pushkar@csshukre.in

Annexure A

Registers as maintained by the Company

1. Register of Members
2. Minutes Book of Board of Directors Meetings u/s 193 of the Act.
3. Minutes Book of General Meetings of the Members u/s 193 of the Act.
4. Register of Applications for and Allotment of Shares
5. Register of Directors' Shareholdings u/s 307 of the Act.
6. Register of Directors, Managing Directors and Secretary u/s 303 of the Act.
7. Register of Particulars of Contracts / names of Firms or Body Corporate of which notice u/s 299 was given u/s 301 of the Act.
8. Books of Accounts & Records u/s 209 of the Act.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2012 :

Sr. No.	Form No./ Return	Filed under Section	Date of Filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No.
1	Form 8	125	10/11/2011	No	Yes
2	Form 8	125	10/11/2011	No	Yes
3	Form 23AC XBRL	220	06/02/2012	No	Yes
4	Form 23ACA XBRL	220	06/02/2012	No	Yes
5	Form 20B	159	11/02/2012	No	Yes
6	Form 66	383A	12/11/2011	No	Yes

Approved' as on the date

Place: Pune

Date: 21/05/2012

Signature:

Name : PUSHKAR SHUKRE

M. No. : 27890

CP No. : 9998

Auditors' Report

To the Members of
Manraj Housing Finance Limited.

- 1) We have audited the attached Balance Sheet of Manraj Housing Finance Limited, as at 31st March 2012 and also the Profit And Loss Account for the year ended on that date annexed thereto. These statements are 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 amounts 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 Companies (Auditors' Report) Amendment Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub- section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in annexure 'A' a statement on the matters specified in paragraph 4 and 5 of the said Order.
- 4) The Company has granted loans to certain parties during the year under review aggregating to Rs. 3,00,00,000 and in earlier years aggregating to Rs. 3,81,74,000/- only on the basis of an agreement to create security as and when required. However no such security is created till date.
- 5) Attention is drawn to Note No. 7 to Notes on Accounts regarding writing off of certain housing loans and other advances aggregating to Rs. /- 13,30,892.
- 6) Further to our comments in para 5 and the Annexure referred to in para 3 above and subject to our comments in para 4 above, we report that:
 - 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books.

- xviii) The company has not made any fresh allotment of shares during the year and hence question of allotting them on preferential basis to parties and companies covered in the Register maintained under section 301 of the Companies Act , 1956 does not arise.
- xix) *The Company has not issued any debentures during the year under review and hence question of creating securities in respect thereof does not arise.*
- xx) The Company has not raised any money by public issues during the year under review.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of audit.

For N. S. Doshi & Co.,
Chartered Accountants

Jalgaon
21st May, 2012.

(N.S.Doshi- Proprietor)
M. No. 10212
FRN.102738W

Annexure A referred to in paragraph 3 of the Auditors' Report of even date

- i)
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - c) During the year, the Company has not disposed off any substantial/ major part of fixed assets so as to affect its going concern status.
- ii)
 - a) The Management has conducted physical verification of inventory at reasonable intervals;
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company has maintained proper records of inventory and no material discrepancies were noticed on physical verification;
- iii)
 - a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence sub clauses (b),(c) and (d) are not applicable.
 - b) The company has not taken any loans, secured or unsecured, from any company, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence sub clauses (f) and (g) are not applicable.
- iv) There is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services.
- v)
 - a) According to the information and explanation given to us the transactions that need to be entered into a register in pursuance of section 301 of the Act have been properly entered.
 - b) in our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements 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 deposit within the meaning of the provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- vii) The company does not have a formal internal audit system. However, in our opinion there are adequate internal control procedures commensurate with the size and nature of its business

- viii) The company has not undertaken any construction / manufacturing activity during the year under review and as such question of maintaining any records in terms of Sec. 209(1)(d) of the Companies Act, 1956 read with Cost Accounting Records Rules 2011 (which have become applicable to the company w.e.f. 1.4.2011) does not arise.
- ix) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Wealth Tax, Service Tax, cess and all other material statutory dues applicable to it with the appropriate authorities. Further according to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2012 for a period more than six months from the date they became payable.
- b) There are no dues of Income tax/MVAT/Wealth tax/Service Tax/Custom duty/Excise duty/cess that have not been deposited on account of any dispute.
- x) The company has no accumulated losses as at 31st March 2012 and has not incurred any cash loss during the financial year ended on that date or in the immediately preceding financial year.
- xi) According to the information and explanation given to us the Company has not defaulted in repayment of dues to a financial institution or bank at the balance sheet date.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of fixed deposits, shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Fund/ Societies are not applicable to the company
- xiv) The company is not dealing or trading in shares, securities, debentures and other investments.
- xv) According to 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) The Company has not obtained any term loan and hence the question of its utilization does not arise;
- xvii) According to the information and explanations given to us, the funds raised on short term basis have not been used for long-term investments.

- iii. The Balance Sheet and Profit and Loss account dealt with by this report in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of the section 211 of the Companies Act, 1956 to the extent applicable.
- v. On the basis of the written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub-section (I) of Section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the accounts together with the notes thereon and attached thereto give the information required by the Companies Act, 1956, in the manner so required and give 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 31st March, 2012, and
 - b) In the case of the Profit and Loss Account, of the **Profit** for the year ended on that date.

And

 - c) In case of cash flow statement, of the cash flow for the year ended on that date.

For N.S.DOSHI & CO.
Chartered Accountants

Jalgaon
21st May, 2012.

(N. S. Doshi-Proprietor)
M.No.10212
FRN. 102738W

**Name of the Company - Manraj Housing Finance Limited.
Balance Sheet as at 31 March, 2012**

Particulars	Note No.	As at 31 March, 2012	As at 31 March, 2011
		₹	₹
A EQUITY AND LIABILITIES			
(a) Share capital	4	50,000,000	50,000,000
(b) Reserves and surplus	5	33,172,052	24,270,568
(c) Money received against share warrants		-	-
		83,172,052	74,270,568
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
4 Current liabilities			
(a) Short-term borrowings	6	42,806,777	34,314,649
(b) Trade payables		-	-
(c) Other current liabilities	7	8,171,577	8,172,142
(d) Short-term provisions	8	3,949,380	2,020,676
		54,927,734	44,507,467
TOTAL		138,099,786	118,778,035
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	48,078	91,320
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
		48,078	91,320
(b) Non-current investments	10	764,451	764,451
(c) Deferred tax assets (net)	11	8,974	218,373
(d) Long-term loans and advances	12	153,940	1,356,164
(e) Other non-current assets		-	-
		927,365	2,338,988
2 Current assets			
(a) Current investments		-	-
(b) Inventories	13	13,026,711	17,085,080
(c) Trade receivables	14	30,927,239	31,630,338
(d) Cash and cash equivalents	15	408,663	230,180
(e) Short-term loans and advances	16	92,761,730	67,402,129
(f) Other current assets		-	-
		137,124,343	116,347,727
TOTAL		138,099,786	118,778,035
Summary of Significant Accounting Policies	3		

The accompanying Notes are an integral part of the financial statements.

In terms of our report attached.

For N. S. Doshi & Co.
Chartered Accountants

For and on behalf of the Board of Directors

(N.S.Doshi-Proprietor)
M.No. 10212
Firm Registration No. 102738W
Place : Jalgaon
Date : 21st May, 2012

Ishwarlal S. Jain
(Managing Director) **Pramod Mehta**
(Director)

Place : Jalgaon
Date : 21st May, 2012

**Name of the Company - Manraj Housing Finance Limited.
Statement of Profit and Loss for the year ended 31 March, 2012**

Particulars		Note No.	For the year ended 31 March, 2012	For the year ended 31 March, 2011
			₹	₹
A	<u>CONTINUING OPERATIONS</u>			
1	Revenue from operations	17	20,435,551	17,939,074
2	Other income	18	5,571,738	2,426,194
3	Total revenue (1+2)		26,007,289	20,365,268
4	Expenses			
	(a) Cost of materials consumed	19	1,668,599	3,962,080
	(b) Employee benefits expense	20	1,976,312	1,259,509
	(c) Finance costs	21	6,959,687	4,498,593
	(d) Depreciation and amortisation expense	9	9,761	21,674
	(e) Other expenses	22	2,282,047	4,082,916
	Total expenses		12,896,406	13,824,772
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		13,110,883	6,540,496
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		13,110,883	6,540,496
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 ± 8)		13,110,883	6,540,496
10	Tax expense:			
	(a) Current tax expense for current year		4,000,000	1,800,000
	(c) Current tax expense relating to prior years		-	-26,164
	(d) Net current tax expense		4,000,000	1,773,836
	(e) Deferred tax		209,399	373,015
			4,209,399	2,146,851
11	Profit / (Loss) from continuing operations (9 ± 10)		8,901,484	4,393,645
B	<u>DISCONTINUING OPERATIONS</u>			
12.i	Profit / (Loss) from discontinuing operations (before tax)		-	-
12.iii	Add / (Less): Tax expense of discontinuing operations		-	-
13	Profit / (Loss) from discontinuing operations (12.i ± 12.iii)		-	-
14	Profit / (Loss) for the year (11 ± 13)		8,901,484	4,393,645
	Earnings per share :			
	Basic		1.8	0.88
	Diluted		1.8	0.88
	Summary of Significant Accounting Policies.	3		

The accompanying Notes are an integral part of the financial statements.
In terms of our report attached.

For N.S.Doshi & Co.
Chartered Accountants

For and on behalf of the Board of Directors

(N.S.Doshi-Proprietor)
M.No. 10212
Firm Registration No.102738W
Place : Jalgaon
Date : 21st May, 2012

Ishwarlal S. Jain **Pramod Mehta**
(Managing Director) (Director)

Place : Jalgaon
Date : 21st May, 2012

Manraj Housing Finance Limited,

Name of the Company -Manraj Housing Finance Limited.
Cash Flow Statement for the year ended 31 March, 2012

Particulars	For the year ended 31 March 2012		For the year ended 31 March 2011	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		13,110,883		6,540,496
<u>Adjustments for:</u>				
Depreciation and amortisation	9,761		21,674	
(Profit) / loss on sale / write off of assets	-1,519			
Dividend income	-81,770		-60,312	
Provision for doubtful trade and other receivables, loans & advances	-701,112		-1,245,469	
Other non-cash charges (Bad Debts)	1,330,892		2,543,272	
		556,252		1,259,165
Operating profit / (loss) before working capital changes		13,667,135		7,799,661
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	4,059,011		3,962,080	
Trade receivables	703,099		12,066,223	
Short-term loans and advances	-25,488,911		-20,685,759	
		-20,726,801		-4,657,456
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities	9,172	9,172	-2,321,666	-2,321,666
		-7,050,494		820,539
Cash flow from extraordinary items		-		-
Cash generated from operations		-7,050,494		820,539
Housing Loan Recoveries				147,666
Net income tax (paid) / refunds		-1,379,921		-1,773,836
Net cash flow from / (used in) operating activities (A)		-8,430,415		-805,630
B. Cash flow from investing activities				
Proceeds from sale of fixed assets	35,000			
Dividend received				
- Others	81770		60312	
		116770		60312
Cash flow from extraordinary items		0		0
		116770		60312
Net income tax (paid) / refunds		0		0
Net cash flow from / (used in) Investing activities (B)		116770		60312
C. Cash flow from financing activities				
Net increase / (decrease) in working capital borrowings	8,492,128		562,389	
Cash flow from extraordinary items		8,492,128		562,389
		-		-
Net cash flow from / (used in) financing activities (C)		8,492,128		562,389
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		178,483		-182,829
Cash and cash equivalents at the beginning of the year		230,180		413,109
Cash and cash equivalents at the end of the year		408,663		230,180
See accompanying notes forming part of the financial statements				

In terms of our report attached.

For N.S.Doshi & co.
Chartered Accountants

For and on behalf of the Board of Directors

(N.S.Doshi-Proprietor)
M.No. 10212
Firm Registration No. 102738W
Place : Jalgaon
Date : 21st May, 2012

Ishwarlal S. Jain
(Managing Director)

Pramod Mehta
(Director)

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012.**

1) CORPORATE INFORMATION

Manraj Housing Finance Limited is a listed Company incorporated in India under the provisions of the Companies Act, 1956. Earlier it was engaged in the business of providing finance for housing. This activity of late has been discontinued and since last few years the company has started construction activity and is otherwise dealing in real estate business.

2) PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS.

For the year ended 31st March, 2012 the revised Schedule VI notified under the companies Act, 1956, has become applicable to the company, for the preparation and presentation of its Financial Statements. The adoption of Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Accounting Methodology

The accounts have been prepared on historical cost basis of accounting in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956. The Company adopts the accrual concept in the preparation of accounts, unless otherwise stated.

B) Investments

Investments classified as long term investments are carried at cost. Provision for diminution, if any, in the value of investments is made to recognize a decline, other than, that of a temporary nature.

C) Revenue Recognition

The outstanding housing loans have been written off during the relevant year on the ground of commercial expediency.

As for the real estate business the revenue from sale properties constructed is recognized on transfer of significant risk and rewards to the buyer. Accordingly cost of construction /development is charged to the profit and loss account in proportion to the revenue recognized during the period and balance costs are carried as inventories. Amounts receivable/payable are reflected as Debtors/Advances from Customers, respectively, after considering income recognized in the aforesaid manner.

Dividend is accounted for on cash basis.

D) Fixed Assets

1. All the fixed assets have been stated at cost inclusive of incidental expenses less accumulated depreciation less impairment if any.
2. Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

E) Inventories

Inventories are valued at lower of cost and net realizable value.

Name of the Company - Manraj Housing Finance Limited.
Notes forming part of the financial statements

4 Share capital

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	7,499,000	10	7,499,000	10
Optionally convertible preference shares of 100 each	100	100	100	100
(b) Issued				
Equity shares of ₹ 10 each with voting rights	5,000,000	10	5,000,000	10
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	5,000,000	10	5,000,000	10
Total	7,499,100	110	7,499,100	110

(d) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2012								
- Number of shares	5000000	-	0	-	0	-	0	5000000
- Amount (₹)	50000000	-	0	-	0	-	0	50000000
Year ended 31 March, 2011								
- Number of shares	5000000	0	0	0	0	0	0	5000000
- Amount (₹)	50000000	0	0	0	0	0	0	50000000

(e) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of	Number of shares held	% holding in that class of
Equity shares with voting rights				
Rajmal Lakhichand Jewellers Pvt. Ltd.	351500	7.03	351500	7.03
Amrsh I. Jain	526600	10.532	526600	10.532
Manmal R. Lalwani	462000	9.24	462000	9.24
Nitika M. Jain	432400	8.648	432400	8.648
Manish I. Jain	427700	8.554	427700	8.554
Pushpadevi I. Jain	350000	7	350000	7
Ishwarlal S. Jain	645400	12.908	645400	12.908

(f) The Company has two classes of shares referred to as equity shares having a par value of Rs.10/- and Preference shares of Rs.100/-. Each holder of equity shares is entitled to one vote per share.

Name of the Company - Manraj Housing Finance Limited.
Notes forming part of the financial statements

5 Reserves and surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) General reserve		
Opening balance	34,312	34,312
Add: Transferred from surplus in Statement of Profit and Loss	4,000,000	-
Closing balance	4,034,312	34,312
(b) Other reserves (Special reserve u/s.36(i)(viii))		
Opening balance	20,077,000	15,077,000
Add: Additions / transfers during the year	-	5,000,000
Closing balance	20,077,000	20,077,000
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	4,159,256	4,765,611
Add: Profit / (Loss) for the year, after tax , transferred from the Statement of Profit & Loss	8,901,484	4,393,645
Less : Transferred to General Reserve	4,000,000	-
Less: Transfer to Other reserves (Special Reserve U/s. 36(i)(viii))	-	5,000,000
Closing Balance	9,060,740	4,159,256
Total	33,172,052	24,270,568

6 Short-term borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Loans repayable on demand		
From banks		
Secured	42,806,777	34,314,649
Total	42,806,777	34,314,649

Notes:

(b) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2012	As at 31 March, 2011
		₹	₹
Loans repayable on demand from banks:	Registered mortgage of residential and commercial property (25 shops & 31 flats) at CTS No. 11273/1/7 to 1273/1/9, S.No81/1, total area admeasuring 2329.71sq.mtrs, Sillod, Tal.Sillod, Dist.Aurangabad.	42,806,777	34,314,649
Total - from banks		42,806,777	34,314,649

Name of the Company - Manraj Housing Fiance Limited.
Notes forming part of the financial statements

7 Other current liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Other payables		
(i) Statutory remittances (Contributions to PF and ESIC.)	7,772	6,296
(ii) Advances from customers	7,366,390	7,395,390
(iii) Income Received in advance (Rent received.)	-	30,000
(iv) Outstanding Expenses	178,838	91,012
(v) Other Payables	618,577	649,444
Total	8,171,577	8,172,142

8 Short-term provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Provision for employee benefits:		
(i) Provision for bonus	39,184	29,447
(b) Provision - Others:		
(i) Provision for tax (net of advance tax ` 441211)	3,910,196	1,290,117
(a) Provision - others	-	701,112
Total	3,949,380	2,020,676

Name of the Company - Manraj Housing Finance Limited.
Notes forming part of the financial statements

9 Fixed Assets.

Particulars	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2011	Additions	Other adjustments	Balance as at 31 March, 2012	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2012	Balance as at 31 March, 2011
(a) Plant and Equipment Owned	₹ 99,701			₹ 99,701	₹ 46,887	₹ 4,736		₹ 48,078	₹ 52,814
(d) Furniture and Fixtures Owned	₹ 99,078			₹ 99,078	₹ 99,078			₹ -	₹ -
(e) Vehicles Owned	₹ 170,932		₹ 81,000	₹ 89,932	₹ 136,460	₹ 991	₹ 47,519	₹ -	₹ 34,472
(f) Office equipment Owned	₹ 947,753			₹ 947,753	₹ 943,719	₹ 4,034		₹ -	₹ 4,034
Total	₹ 1,317,464	₹ -	₹ 81,000	₹ 1,236,464	₹ 1,226,144	₹ 9,761	₹ 47,519	₹ 48,078	₹ 91,320
Previous year	₹ 1,317,464			₹ 1,317,464	₹ 1,204,470	₹ 21,674	₹ -	₹ 91,320	₹ 112,994

Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Depreciation and amortisation for the year on tangible assets	₹ 9,761	₹ 21,674
Depreciation and amortisation relating to continuing operations	₹ 9,761	₹ 21,674

10 : Non-current investments

Particulars	As at 31 March, 2012			As at 31 March, 2011		
	Quoted ₹	Unquoted ₹	Total ₹	Quoted ₹	Unquoted ₹	Total ₹
	Investments (At cost)					
(A) Trade Investments	-	-	-	-	-	-
(B) Investment in equity instruments						
(i) of other entities	264,501	499,950	764,451	264,501	499,950	764,451
	264,501	499,950	764,451	264,501	499,950	764,451
	264,501	499,950	764,451	264,501	499,950	764,451
Total (A+B)	264,501	499,950	764,451	264,501	499,950	764,451
Less: Provision for diminution in value of investments			-			-
Total			764,451			764,451
Aggregate amount of quoted investments			264,501			264,501
Aggregate market value of listed and quoted investments			907,924			1,079,218
Aggregate value of listed but not quoted investments			-			-
Aggregate amount of unquoted investments			499,950			499,950

Name of the Company - Manraj Housing Fiance Limited.
Notes forming part of the financial statements

11. Deferred Tax Assets (net).

Particulars	As at 31	As at 31
	March, 2012	March, 2011
	₹	₹
Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for doubtful debts / advances		210,334
On difference between book balance and tax balance of fixed assets	8,974	8,039
Tax effect of items constituting deferred tax assets	8,974	218,373
Net deferred tax (liability) / asset	8,974	218,373

12 Long-term loans and advances

Particulars	As at 31	As at 31
	March, 2012	March, 2011
	₹	₹
<u>(b) Security deposits</u>		
Unsecured, considered good	153,940	153,940
Less: Provision for doubtful deposits	0	0
	153,940	153,940
<u>(i) Other loans and advances (Housing Loans)</u>		
Secured, considered good	0	1,202,224
Less: Provision for other doubtful loans and advances	0	0
	-	1,202,224
Total	153,940	1,356,164

13 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31	As at 31
	March, 2012	March, 2011
	₹	₹
<u>(a) Finished goods (other than those acquired for trading)</u>		
Goods-in-transit		
<u>(b) Stock-in-trade (acquired for trading)</u>		
Goods-in-transit	13,026,711	17,085,080
Total	13,026,711	17,085,080

Name of the Company - Manraj Housing Fiance Limited.
Notes forming part of the financial statements

14 Trade receivables

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	30,927,239	31,630,338
Less: Provision for doubtful trade receivables	0	0
	30,927,239	31,630,338
Other trade receivables		
Secured, considered good	-	-
Unsecured	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Total	30,927,239	31,630,338

Trade receivables include debts due from:

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Relative of Director	30,927,239	31,630,338

15 Cash and cash equivalents

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Cash on hand	94,437	49,793
(c) Balances with banks		
(i) In current accounts	314,226	180,387
Total	408,663	230,180
The said balances meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements .		

Name of the Company - Manraj Housing Finance Limited.
Notes forming part of the financial statements

16 Short-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Loans and advances to employees		
Unsecured, considered good	73,348	49,937
	73,348	49,937
Less: Provision for doubtful loans and advances	-	-
	73,348	49,937
(b) Prepaid expenses - Unsecured, considered good (For Insurance premium.)	-	642
	-	642
(c) Others (Advances recoverable in cash or in kind or for value to be received)		
Unsecured, considered good	92,688,382	67,351,550
	92,688,382	67,351,550
Less: Provision for other doubtful loans and advances	-	-
	92,688,382	67,351,550
Total	92,761,730	67,402,129

Short-term loans and advances include amounts due from:

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Other officers of the Company	73,348	49,937

Name of the Company - Manraj Housing Finance Limited.
Notes forming part of the financial statements

17 Revenue from operations

	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		₹	₹
(a)	Sale of products (Refer note below)	4,082,000	5,895,891
(b)	Sale of services (Refer note below)	16,353,551	12,043,183
(c)	Other operating revenues	-	-
Total		20,435,551	17,939,074

Note	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		₹	₹
	Sale of products comprises :		
	<u>Manufactured goods</u>		
	Sale of Shops	3,482,000	2,486,000
	Sale of Flats	600,000	3,409,891
	Total - Sale of manufactured goods	4,082,000	5,895,891
	<u>Traded goods</u>		
	Total - Sale of traded goods	-	=
	Total - Sale of products	4,082,000	5,895,891
	Sale of services comprises :		
	Interest on		
	- Housing Loans	-	268,335
	- Debtors	4,052,111	4,719,033
	- Other Loans	12,301,440	7,055,815
	Total - Sale of services	16,353,551	12,043,183

18 Other income

	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		₹	₹
(a)	Dividend income:		
	<u>from long-term investments</u> :		
	others	81,770	60,312
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note below)	5,489,968	2,365,882
Total		5,571,738	2,426,194

Note

	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		₹	₹
	Other non-operating income comprises:		
	Profit on sale of fixed assets	3,579,099	-
	Rental Income from investment properties	303,485	274,125
	Provision for doubtful debts written back	701,112	1,245,469
	Miscellaneous income	906,272	846,288
	Total - Other non-operating income	5,489,968	2,365,882

19 Cost of materials consumed

	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		₹	₹
	Opening stock	14,695,310	18,657,390
	Add: Purchases	-	-
		14,695,310	18,657,390
	Less: Closing stock	13,026,711	14,695,310
	Cost of material consumed	1,668,599	3,962,080
	Material consumed comprises:		
	Cost of :		
	- Flats	467,384	3,072,554
	- Shops	1,201,215	889,526
	Total	1,668,599	3,962,080

Name of the Company - Manraj Housing Fiance Limited.

Notes forming part of the financial statements

20 Employee benefits expense

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Salaries and wages	1,890,184	1,218,897
Contributions to provident and other funds	47,628	40,612
Staff welfare expenses	38,500	
Total	1,976,312	1,259,509

21 Finance costs

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
(a) Interest expense on:		
(i) Borrowings	6,958,357	4,498,442
(ii) Others		
- Interest on delayed / deferred payment of income tax	750	151
Interest on Listing Fee	580	
Total	6,959,687	4,498,593

22 Other expenses

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Repairs and maintenance - Machinery	2,960	6,825
Insurance	642	2,181
Rates and taxes	14,830	837,083
Legal and professional	467,654	170,130
Payments to auditors (Refer Note below)	77,304	76,253
Bad trade and other receivables, loans and advances written off	1,330,892	2,543,272
Miscellaneous expenses	387,765	447,172
Total	2,282,047	4,082,916

Details of Payment to Auditors :

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	25,000	25,000
For taxation matters	15,000	15,000
For company law matters	5,000	5,000
For management services	6,000	6,000
For other services	20,000	20,000
Service tax	6,304	5,253
Total	77,304	76,253

23) Unclaimed Dividend and Transfer of Dividend to Investor Protection Fund
Unclaimed Dividend of Rs. NIL (P.Y. Rs. NIL/-)

24) As certified by the management loans granted by the Company are secured by –

- ♦ Simple / equitable mortgage of the property and/or
- ♦ Assignment of Life Insurance Policy and/or
- ♦ Personal Guarantees and/or
- ♦ Undertaking to create a security and/or
- ♦ Promissory Note.

and are considered good except in the cases where the provisions have been made.

The Company has granted loans to certain parties during the year under review aggregating to Rs. 3,00,00,000 and in earlier years aggregating to Rs. 3,81,74,000/- only on the basis of an agreement to create security as and when required. However no such security is created till date.

25) Borrowing Costs

There are no borrowing costs that are attributable to the acquisition or construction of qualifying asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

26) Provision for Current and Deferred Tax.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a reasonable certainty that the assets will be realised in future.

27) Bad Debts

Company has written off Housing loans without enforcing security on the ground that recovery steps would not be commercially viable.

28) Current assets, loans and advances

In the opinion of the board, the current assets ,loans and advances , subject to the provision, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

29) Amount due to micro & small enterprises:

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

30) Contingent Liability

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. NIL /- (P.Y. Rs. NIL).

31) Disclosure in respect of Related Parties pursuant to Accounting Standard 18

1) List of Related Parties

(As identified by the Management)

i) Enterprises that directly or indirectly exercise control NIL

ii) Key Managerial Personnel and Enterprises

(Having common Key Management Personnel or their relatives)

Key Management Personnel

1 Shri Ishwarlal S. Jain Managing Director

2 Shri Manish I. Jain Director

Relatives of Key Management Personnel

1 Shri Amrish Jain (son of Shri Ishwarlal Jain)

2 Mrs. Pushpadevi Jain (wife of Shri Ishwarlal Jain)

3 Mrs. Nitika Jain (wife of Shri Manish Jain)

Enterprises having common Key Management Personnel (Associates)

Name of the Related Party	Relationship
Arya Automobiles	Proprietary Concern of Shri. I.S.Jain
Rajmal Lakhichand (Jalgaon)	Partnership firm in which directors are partners.
Rajmal Lakhichand & Sons	
Arya Impex	
Manraj Travels	
Manraj Construction	
Manraj Green Gold	
Rajmal Lakhichand Jewellers (Pune)	
R.L.Commodities Pvt. Ltd.	
Manraj Jewellers Pvt. Ltd.	Directors of the company. are the directors/shareholders of these Pvt. Ltd. Companies
R.L.Jewels Pvt. Ltd.	
Ajanta Health Resort Pvt. Ltd.	
R.L. Gold Pvt. Ltd.	
Rajmal Lakhichand Jewellers Pvt. Ltd.	
Manraj Motors Pvt. Ltd.	
Manavi Holdings Pvt. Ltd.	

2) During the year, the following transactions were carried out with the related parties in the ordinary course of the business and at arms length price.

Name of Related Party	Nature of Transaction	Paid (Rs.)
Manraj Motors Pvt Ltd.	Vehicle repairs	32,680
Shri. Amrish I. Lalwani	Recovery of dues to cancellation of Development Agreement earlier :	40,52,112
	Interest due	
	Amount received during the year	47,31,654

32) Earnings Per Share

Particulars	31.03.2012	31.03.2011
Earning for the Year	89,01,484	43,93,645
Number of Shares: Basic/ Diluted	50,00,000	50,00,000
E P S : Basic/ Diluted	1.80	0.88

33) Sales and Stock Particulars of Finished Goods.

Particulars	Sale Value (Rs.)	Closing Inventory(Rs.)	Opening Inventory(Rs.)
Current Year	16,68,599	1,30,26,711	1,46,95,310
Previous Year	39,62,080	1,46,95,310	1,86,57,390

34) Where changes in presentation are made, comparative figures for the previous year are re-grouped accordingly.

AS PER OUR REPORT OF EVEN DATE.

FOR N. S. DOSHI & CO.,
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

(N.S. Doshi-Proprietor)
M. No. 10212

ISHWARLAL JAIN
(Managing Director)

PRAMOD MEHTA
(Director)

Jalgaon
21st May, 2012.

PROXY FORM
MANRAJ HOUSING FINANCE LIMITED
Registered Office: 3, Pushpa Apartment,
General Vaidya Chowk, Jalgaon.425002.

I / We
Of
Being a Member / Members of MANRAJ HOUSING FINANCE LTD. JALGAON.
Hereby appoint
Of
Or failing him
Of

As my / our proxy to vote for my / our behalf , at the **22nd Annual General Meeting**
Of the company to be held on **Saturday, the 29th day of September, 2012 at 3, Pushpa**
Apartment, General Vaidya Chowk, Jalgaon – 425 002. at 10.00 a.m. and at any
adjournment thereof.

Signed this.....day of 2012.

Please Affix
1 Ree.
Revenue
Stamp
Here.

Signature(s) of Member(s)
Across the Stamp

Note : The Proxy must be deposited with the Registered Office of the Company at 3, Pushpa Apartment,
General Vaidya Chowk, JALGAON- 425 002. not less than 48 hours before the time for holding the meeting.

ATTENDANCE SLIP
MANRAJ HOUSING FINANCE LIMITED
Registered Office: 3, Pushpa Apartment,
General Vaidya Chowk, Jalgaon.425002.

Please complete this attendance slip and hand it over at the entrance of the Meeting Hall.



Name of the Shareholder/ Proxy

Address

No. of Shares held.....

I / We hereby record my / our presence at the **22nd Annual General Meeting** of the company
being held at **3, Pushpa Apartment, General Vaidya Chowk, Jalgaon - 425 002. on**
Saturday, the 29th day of September, 2012 at 10.00 a.m.

Signature of the Shareholder / Proxy

* Strike out whichever is not applicable.

If undelivered, Please Return to

Manraj Housing Finance Limited

Administrative Office: C/o. Rajmal Lakhichand Jewellers,
169, Bataji Peth, JALGAON - 425 001